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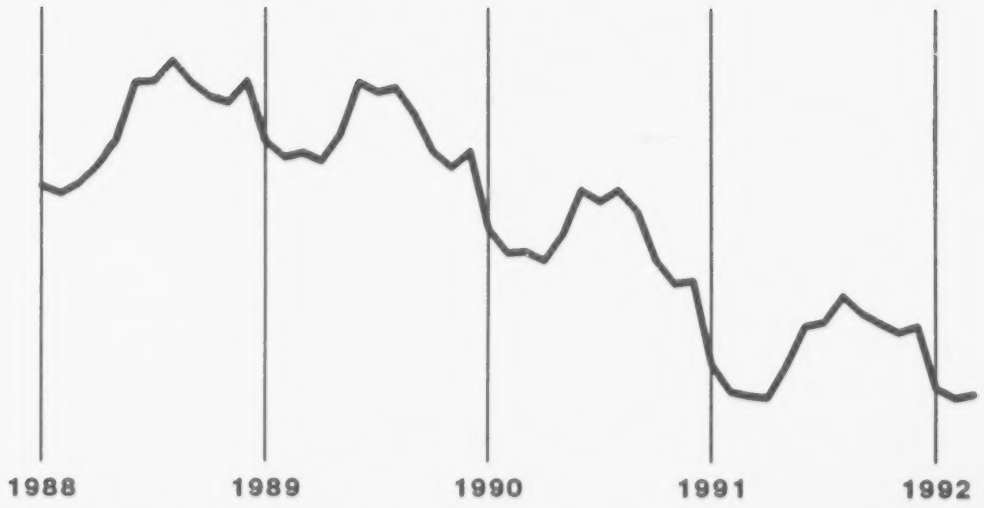

ECONOMIC AND SOCIAL INDICATORS

NEW HAMPSHIRE
1988 - 1991

A LABOR MARKET INFORMATION REPORT

Employment SECURITY

VITAL SIGNS:

NEW HAMPSHIRE ECONOMIC AND SOCIAL INDICATORS

1988 - 1991

A Labor Market Information Report

Prepared by

Economic and Labor Market Information Bureau
New Hampshire Employment Security
January 1993

THE STATE OF NEW HAMPSHIRE
Stephen E. Merrill, *Governor*

EMPLOYMENT SECURITY
John J. Ratoff, *Commissioner*
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We also wish to acknowledge the cooperation of numerous individuals in organizations, both public and private, who generously shared their data and their expertise with us and helped us to find those data items that we needed in order to make this compilation possible.

INTRODUCTION

This annual review of New Hampshire economic and social indicators is designed to present, as concisely as possible, significant aspects of the state's economic, social, and environmental structure. Four years of data are reported, whenever available, in order to depict recent trends, and comparisons are made with other states whenever appropriate.

The data has been drawn from published reports or unpublished records of many State and Federal government agencies and private organizations. We are indebted to the numerous individuals who contributed special information or provided advice on evaluating reported data. In order to conserve space in the tables of indicators, specific references have been omitted, but sources are identified by abbreviations in the last column. Attention should be paid to notations included with the line titles about the actual size of the data and time interval used. Fiscal year data is listed under the second calendar year involved. For example, enrollments for the 1989-1990 school year are shown under 1990. Whenever possible, 1992 updates are reported along with other comments in the preceding summary analysis.

Some of the data items in the tables are available on a county basis. A copy of selected data by county in New Hampshire may be obtained by contacting the Economic and Labor Market Information Bureau.

The observations expressed in this report do not necessarily reflect those of New Hampshire Employment Security, and no official endorsement should be inferred.

1991 HIGHLIGHTS

Population declined for the first time in a decade as two years of outmigration outweighed natural increase. For the first time in many years our annual percentage change ranked us last in the nation for population growth.

Elementary and secondary school enrollment increased by only one-half of one percent as total population decreased. However, those under ten years of age have increased substantially since 1985 implying that elementary school enrollment will increase over the next few years. On the other hand, secondary school enrollment should drop as the 10 to 19 age group declines.

Postsecondary school enrollment rose as job opportunities became scarce and people considered other options. This will create a better educated work force that can spur an economic recovery. Enrollment in this category will likely decrease as jobs become more available.

The civilian labor force had the smallest annual average increase in ten years. The number of people unemployed continued to climb, approaching fifty thousand. The 1991 annual average unemployment rate of 7.2 percent placed New Hampshire at thirty-seventh best in the country, our worst placing in a decade.

The number of jobs in New Hampshire slipped again as all industries cut back on their work force. New England and the United States followed suit as both suffered job losses. Nonagricultural job loss in New England occurred for the third consecutive year and the second consecutive year in New Hampshire. The national job loss occurred for the first time in ten years.

The net annual change in the number of firms doing business in New Hampshire was negative for the third straight year. Firms with less than fifty employees were the hardest hit. There were 788 fewer firms of this size grouping in operation in 1991 than in 1990.

Energy sales in New Hampshire and New England declined for the second year in a row. Industrial sales suffered the greatest loss as companies continued to downsize or find alternative energy sources. Nuclear energy had the largest percentage increase in total energy generated by type as the nuclear power plant at Seabrook was on line for its first full calendar year of operation.

Total Gross State Product exceeded twenty-five billion dollars, measured in current dollars, in 1991. When comparing Gross State Product in 1987 dollars, real output dropped 3.3 percent.

Industries associated with retail sales and hospitality suffered setbacks in 1991 as the recession continued to take a bite out of everyone's income and spending ability. Tourism was also impacted by the recession with a drop in ski lift sales and meals and rooms sales receipts. Overall, travelers were mainly from the East Coast, as far south as New Jersey, and European countries taking advantage of favorable exchange rates and airline fares. Canadian travelers, normally a staple for New Hampshire, were fewer due to unfavorable exchange rates.

Existing home sales improved for the first time in several years as interest rates and sale prices decreased. There is still a glut of existing residential, commercial, and industrial structures. Expectations are that as the recession winds down these buildings will once again become occupied.

Highway traffic, vehicle registration, and boat registration all declined through the end of the 1991 calendar year. The only type of transportation to increase over the year was air travel.

Bank assets, bank deposits, and the number of banking institutions all took a nose-dive in 1991. Non-performing bank loan totals decreased as banks became more stringent in their lending practices. During the first three quarters of 1992 New Hampshire banks showed profits, but the total for bad loans remains high.

Per capita personal income increased by $750 during 1991. This 3.6 percent increase was slightly higher than the 3.1 percent increase in the consumer price index. Our per capita personal income of $21,760 ranked us sixth in the nation in 1991, the same ranking New Hampshire had in 1990.

As more individuals and families fell below poverty thresholds, welfare caseloads and recipients increased in New Hampshire, New England, and the United States. For our state, the annual percent change of persons on welfare rose by 33.9 percent in 1991. These statistics will remain high until there is an increase in the number of job openings and people can once again become self-sufficient.

Hospital admissions and inpatient days per 1,000 population decreased in 1991. Unfortunately, hospital care costs continue to increase at close to a double digit rate.

Violent crime offenses declined for the second year in a row and the number of property crime offenses dropped for the first time since 1988. The number of total crime offenses also decreased for the first time during the past four years. Meanwhile, the State Prison population increased roughly fifteen percent between 1990 and 1991. The number of traffic accidents reported contracted, although a change in the law may have been a contributing factor.

CHANGE IN KEY ECONOMIC INDICATORS

	1990	1991
Gross State Product (1987 dollars)	-1.3%	-3.3%
Retail sales	3.0%	-7.2%
Meals and rooms sales	-2.4%	-0.5%
Home sales	-19.4%	19.0%
Electricity purchased	-1.1%	-2.5%
Bank assets	-4.6%	-9.6%
Non-performing loans	35.5%	-44.3%
Bankruptcy filings	78.9%	85.8%
Income, per capita	2.7%	3.6%
Wages, average weekly	4.7%	4.1%
Population	0.5%	-0.5%
School enrollment	1.4%	0.5%
Unemployed, average number	71.4%	27.8%
Employment, nonagricultural	-4.0%	-5.5%
Vehicle registrations	1.3%	-10.4%
Welfare persons	22.6%	33.9%
Criminal offenses	1.6%	-5.8%
Traffic accidents	-12.2%	-30.7%

1. POPULATION

POPULATION RETURNS TO 1989 LEVEL

In 1990, after decades of in-migration and growth, the trend of net migration changed to a small outflow. By 1991 this trickle of outflow had become a stream. Natural increase (births minus deaths) was enough to create a small net gain in 1990, but with the birth rate declining and out-migration accelerating, New Hampshire experienced an estimated population decline of 6,000 in 1991. This generated a net change of -0.5 percent and a 51st ranking nationally. The state's population count returned to approximately 1,105,000, the same as 1989, which looking back, was worth a 2.0 percent population increase from 1988 and a 5th place national ranking. New Hampshire, from 1980 to 1990, had enjoyed the leader role in percent of population growth, ranking number one in New England and the Northeastern states. This was an accomplishment in a nation whose population was increasingly concentrating in southern and western states.

ACCELERATED OUTFLOW LEADS TO POPULATION DECLINE

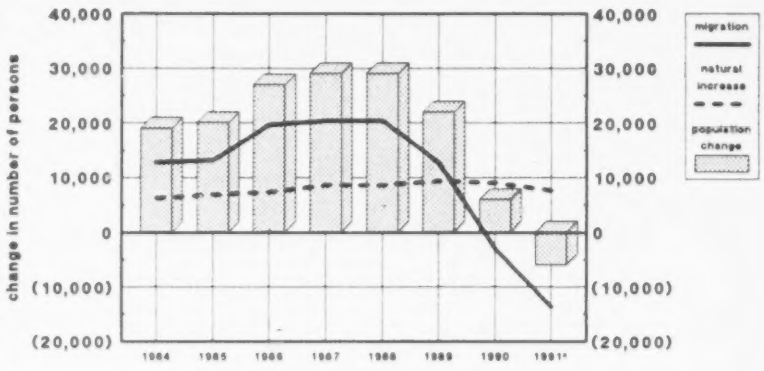


Figure 1.a: FACTORS of POPULATION CHANGE
BIRTHS minus DEATHS and NET MIGRATION
*Live births/deaths estimated from occurences.

New Hampshire's birth rate, which had held relatively constant during the late eighties at 16 per thousand population, slipped slightly to 15.8 in 1990. This rate was less than the national birth rate of 16.7 (all races) for 1990. Birth occurrences reported in 1991 (births taking place in New Hampshire regardless of residency) were down by an estimated 1,260. The total live birth rate, when compared to prior years, may drop as low as 14.8 according to a preliminary tally by the New Hampshire Division of Public Health. The birth rate decline is being affected by postponements in child bearing for reasons of furthering education, enhancing careers, marrying later, and uncertain financial stability due to the recession. In 1990 the U.S. Bureau of the Census reported that over 52 percent of childless women over the age of thirty anticipated a future birth. This compared to 31 percent fourteen years earlier.[1]

NEW HAMPSHIRE AND U.S. BIRTH RATES DIVERGE

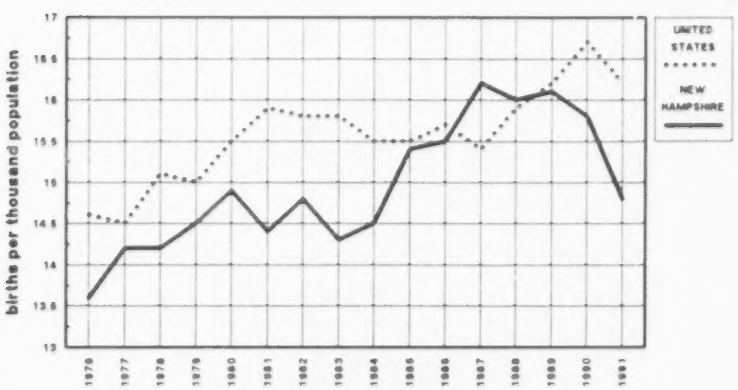


Figure 1.b: RESIDENT LIVE BIRTH RATE
(births per thousand population)
NEW HAMPSHIRE vs UNITED STATES

The infant death rate continues to decline each year. The 1989 rate dropped to 7.9 per thousand live births, the 1990 rate to 7.1. This is twenty-two percent below the 1990 national rate of 9.1 (all races). Other indicators associated with infant mortality are also improving. Births to teenaged mothers declined to 7.2 percent of total live births and the number of occurrences in this category for 1991 are estimated to diminish. Women receiving inadequate prenatal care dropped to 2.4 percent of live births. However one indicator, non-marital births, increased to 16.9 percent in 1990 and occurrence data for 1991 is marking over 19 percent. The skyrocketing number of non-marital births has been paralleled by the growing trend toward social acceptance of pregnancy and non-marital status.

As indicated earlier, young adults are delaying marriage. The number over thirty having never married has doubled in the last twenty years.[2] The NewHampshire Division of Public Health

IS BIRTH RATE DROP RELATED TO ECONOMIC DECLINE? DROP IN CHILDBEARING GROUP? IS DROP IN AGE 18-44 GROUP DUE TO AGING OF POPULATION OR OUTFLOW?

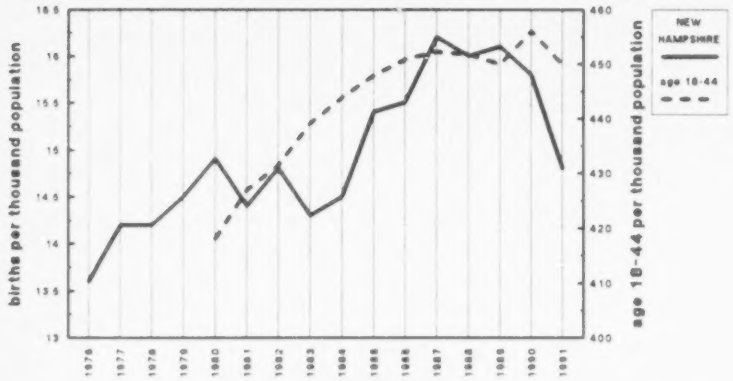


Figure 1.c: RESIDENT LIVE BIRTH RATE (births per thousand population) compared with POPULATION AGE 18-44

reported the marriage rate dropped to 9.5 marriages per thousand population, while the divorce rate remained the same at 4.5 divorces per thousand for the third consecutive year. The State marriage and divorce rates were lower than national rates by three to four percentage points. Education levels of couples marrying were higher in 1990 than the previous year, as a greater number of both sexes attained twelve years or more of formal schooling prior to marriage.[3]

New Hampshire continued to have the youngest population of the New England states based on a median age of 33.3, up from 32.8 the previous year. The 1991 median age increased in all six New England states and the U.S., but the U.S. figure is two-tenths of a point lower than New Hampshire, and lower than the rest of New England. State population based on distribution by age categories saw small percentage increases in the 17 and younger, and the 65 and over age groups. A 0.5 percent drop in the 18 to 24 year-old group may illustrate the mobility of young adults when attending colleges and obtaining first jobs. The age 25 to 64 group maintained, or experienced negligible changes in the distribution numbers of 1990. The increases in the youngest and oldest groups in the State are upheld by the growth in primary education numbers (see Section 2), and medical technology advancements allowing for an older population.

The resident death rate was 7.6 per 1,000 population for 1989 and 1990 and is likely to remain unchanged in 1991, according to the Division of Public Health. Leading causes of death in New Hampshire are heart disease, cancer, and cerebrovascular diseases. These three disease categories contribute to over sixty-five percent of all resident deaths.[4]

[1] ***Studies in American Fertility;*** "Late Expectations: Childbearing Patterns of American Women for the 1990's". Bureau of the Census, October 1991.
[2] "Martial Status and Living Arrangements", ***Population Profile of the United States 1991***. Bureau of the Census, July 1991.
[3] "Marriage and Divorce", ***1990 Vital Statistics Report for the State of New Hampshire***. Division of Public Health Services, pg. 49-54.
[4] "Mortality", ***1990 Vital Statistics Report for the State of New Hampshire***. Division of Public Health Services, pg. 27-44.

1. POPULATION	1988	1989	1990	1991	Source
RESIDENT POPULATION, July 1st (thousands)	1,083	1,105	1,111	1,105	DES/CB
Annual percentage change	2.8%	2.0%	0.5%	-0.5%	DES/CB
United States rank	2	Tie 5	Tie 20	51	DES/CB
DISTRIBUTION BY AGE					
Under 5 years	7.5%	7.6%	7.5%	7.7%	CB
5 to 17 years	17.9%	17.7%	17.5%	17.6%	CB
18 to 24 years	11.3%	11.1%	10.6%	10.1%	CB
25 to 44 years	33.8%	33.9%	35.0%	34.8%	CB
45 to 64 years	18.2%	18.3%	18.1%	18.1%	CB
65 years and over	11.3%	11.4%	11.2%	11.6%	CB
MEDIAN AGE					
New Hampshire	32.1	32.3	32.8	33.3	CB
Connecticut	34.4	34.7	34.4	34.7	CB
Maine	33.0	33.3	33.9	34.4	CB
Massachusetts	33.5	33.8	33.6	33.8	CB
Rhode Island	33.7	33.9	34.0	34.2	CB
Vermont	31.7	32.0	33.0	33.4	CB
United States	32.4	32.7	32.9	33.1	CB
VITAL RECORDS [a]					
Live births	17,363	17,801	17,519	15,811	VS
Birth rate (per 1,000 population)	16.0	16.1	15.8	14.3	VS
Births to teenage mothers	1,304	1,336	1,262	1,195	VS
Percent of total live births	7.5%	7.5%	7.2%	7.6%	VS
Non-marital births (percent of total)	14.4%	15.7%	16.9%	19.1%	VS
No or late prenatal care (percent of live births)	3.0%	3.0%	2.4%	2.5%	VS
Infant death rate	8.5%	7.9%	7.1%	5.6%	VS
Natural increase rate (per 1,000 population)	7.9	8.5	8.2	6.7	VS
Net in-migration rate (per 1,000 population)	20.1	11.8	-2.8	-12.1	DES

[a] 1991 data are occurrences; other years are residential data.

2. EDUCATION

ELEMENTARY AND SECONDARY SCHOOL ENROLLMENTS RISE FOR MOST GRADE LEVELS

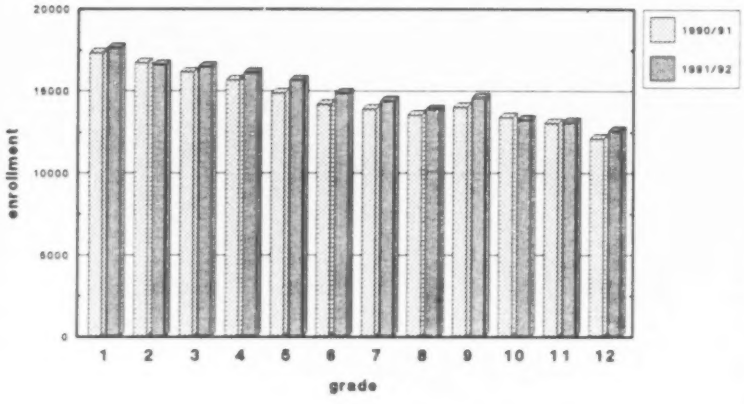


Figure 2.a: NEW HAMPSHIRE SCHOOL ENROLLMENTS by GRADE 1990/91 and 1991/92

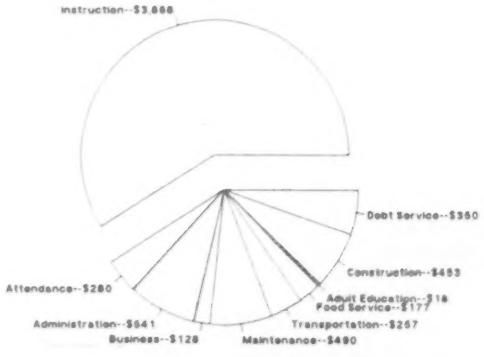
The divergent State trend of increasing elementary and decreasing secondary school enrollment since the mid/late 1980's has begun to follow national trends with increases in enrollment for both educational levels during the 1991/1992 school year. While elementary enrollments declined during the fall of 1990 (1990/1991 school year), the enrollment numbers for the first grade rebounded slightly for fall 1991, rising by 1.75 percent. The increase in elementary enrollments is further supported by a look at 1990 census information, as compared to five years earlier. The age groups under 5 years and 5-9 years have increased dramatically, generating increases of 24.4 and 31.2 percent respectively. Two years later, the 5-9 age group has entered the elementary system, with the under 5 group knocking on the door. Towns and cities around the State should be taking a thorough look at budgets and facilities to ensure the increasing numbers can be adequately provided for. Meanwhile, senior class enrollment for the same period (as prognosticated by the previous edition of this report), expanded from 12,086 to 12,561 for a 4.0 percent total increase (public and nonpublic schools).

The total enrollment for the 1991/1992 school year was 195,240, up 1.9 percent. The overall elementary and secondary growth rate averaged 1.2 percent for four years despite the one half of one percent rate for school year 1991. The number of secondary students enrolled in voc-tech programs increased after a slight decline during 1990. The percent of 11th and 12th graders enrolled in public school vocational programs was at the highest point in the last six years.

Average expenditures per pupil shows a dollar increase to $6,562 in 1991, although there was a much smaller annual percent change than in any of the previous four years. New Hampshire's expenditures as a percent of per capita income rose to 25.3 percent during 1990, ranking the State 31st nationally. The largest share (over half) of per pupil expenditure is devoted to instruction. The average salary for teachers throughout the State increased during the 1991 school year, improving the state's national ranking to twenty four. New to the Section 2 Table in the expenditures per pupil section is a percentage break out of school revenues from local, state, and federal sources. This 1990 data emphasized the dependence on local property taxes as the primary revenue source, with 88.8 percent of educational revenue coming from local funds. This dependence continued to rank the State number one nationally in the use of local funds as revenue sources, while conversely maintaining a 50th position in use of federal and state funds.

New Hampshire Scholastic Aptitude Test (SAT) scores made news during 1991 as the state's customary number one national ranking fell to number three based upon an average combined math and verbal score of 921. Test results slipped not only here, but nationally as well, as combined scores dropped below the

INSTRUCTIONAL SPENDING BIGGEST SLICE OF THE PIE



$6,562 spent per pupil in 1991

Figure 2.b: NEW HAMPSHIRE PER PUPIL SCHOOL EXPENDITURES for the 1990/91 SCHOOL YEAR

2. EDUCATION - by close of school year	1988	1989	1990	1991	Source
A. ELEMENTARY AND SECONDARY EDUCATION SCHOOL ENROLLMENT (fall, public & private)					
(excludes preschool)	184,953	188,067	190,640	191,574	DE
Growth rates: Total	1.3%	1.7%	1.4%	0.5%	
First grade	5.5%	3.3%	0.5%	-14.4%	
Twelfth grade	5.5%	-3.9%	-5.4%	-5.6%	
Voc-tech enrollment (secondary)	10,722	10,206	9,981	10,468	DE
Percent of 11th & 12th grade (public and public academies)	42.6%	42.4%	44.9%	48.1%	
Pupil-teacher ratio (public schools)	16.0	16.2	16.2	16.2	UED
United States rank (incl. D.C.)	17	22	21	Tie 21	UED
Teacher salaries	$24,019	$26,702	$28,886	$31,273	UED
United States rank	37	29	25	24	UED
HIGH SCHOOL GRADUATES (Public schools)					
Graduation rate (adjusted for migration, unclass.)	74.1%	74.1%	74.0%	N.A.	UED
United States rank (incl. D.C.)	28	27	27	N.A.	UED
Total number of graduates (public)	11,528	11,404	10,770	10,106	DE
Enrolled in four-year college	41.7%	41.8%	41.6%	44.4%	DE
Enrolled in less-than four year college	15.9%	16.0%	18.5%	17.0%	DE
Employed or in armed forces	37.4%	36.3%	33.5%	31.5%	DE
VOC-TECH SECONDARY COMPLETERS					
High School Vocational Technical Program Graduates	3,745	3,332	3,378	3,454	DE
SCHOLASTIC APTITUDE TEST (SAT)	933	932	928	921	UED
National average	904	903	900	896	UED
Rank (22 states administering test)	1	1	1	3	UED
Percent of high school graduates taking test	71%	66%	67%	75%	UED
EXPENDITURES PER PUPIL (Average)					
Total, Net, all purposes (school year)	$5,101	$5,772	$6,310	$6,562	DE
Annual percent change	15.1%	13.2%	9.3%	4.0%	
Instruction expenditures	$2,888	$3,256	$3,605	$3,868	DE
Current expenditures/pupil in ave. daily attn.	$4,457	$4,807	$5,304	N.A.	UED
Expenditures as % per capita income:					
New Hampshire	22.7%	23.5%	25.3%	N.A.	UED/DES
United States	25.5%	26.2%	26.6%	N.A.	UED/DES
U.S. rank	44	44	31	N.A.	UED/DES
Revenue sources, percent of total school revenues:					
State funds	7.6%	8.4%	8.4%	N.A.	UED
National average	49.5%	47.8%	47.2%	N.A.	UED
United States rank	50	50	50	N.A.	UED
Local and other* funds	89.1%	88.6%	88.8%	N.A.	UED
National average	44.1%	46.0%	46.6%	N.A.	UED
United States rank	1	1	1	N.A.	UED
Federal funds	3.3%	3.0%	2.8%	N.A.	UED
National average	6.3%	6.2%	6.1%	N.A.	UED
United States rank	50	49	50	N.A.	UED

2. EDUCATION - by close of school year (Continued)	1988	1989	1990	1991	Source
B. POSTSECONDARY EDUCATION					
ENROLLMENT, fall total, 2 & 4 year institutions	56,818	56,222	55,521	63,275	PEC
DEGREES GRANTED BY NH COLLEGES	10,830	10,973	11,103	10,289[b]	PEC
Associate degrees	2,206	2,206	2,341	2,435[b]	PEC
Bachelor degrees	6,700	6,954	6,745	6,067[b]	PEC
Postgraduate degrees	1,924	1,813	2,017	1,787[b]	PEC
By Selected Concentration:					
Business and management	3,058	3,117	3,429	2,240[b]	PEC
Health science & allied (incl. M.D.)	687	660	699	745	PEC
Engineering	652	642	666	630	PEC
Computer information	457	462	403	346[b]	PEC
VOC-TECH POSTSECONDARY GRADUATES	941	961	1,070	1,259	PSV
Number employed full-time after six months	741	745	778	774	PSV
Percent working full-time	78.7%	77.5%	72.7%	61.5%	PSV
Percent working in New Hampshire	84.5%	84.0%	80.5%	80.9%	PSV
Number continuing education	115	108	141	197	PSV
Percent continuing education	12.2%	11.2%	13.2%	15.6%	PSV

[a] *Includes gifts, tuition, and fees from patrons.*

[b] *1991 does not include data from New Hampshire College or the University System of New Hampshire's School for Life Long Learning. In 1990 and 1992 NH College granted 1,439 and 1,527 degrees, respectively, 1,239 and 1,343 of these degrees in business and management. 551 and 516 were postgraduate degrees. The School for Life Long Learning granted 221 and 198 degrees in 1990 and 1992, respectively.*

LOCAL TAXPAYERS BEAR THE BURDEN

Figure 2.c: SOURCES of NEW HAMPSHIRE SCHOOL REVENUES for the 1989/90 SCHOOL YEAR

900 threshold. The steady decline of SAT scores at the national level during the last five years reinforces the Department of Education's (UED) National Center for Educational Statistics (NCES) findings that SAT verbal scores have dipped over the last decade and older students still have difficulty with math operations of moderate complexity. During the years of number one status, New Hampshire enjoyed a combined test score spread of twenty-eight points or better when compared to national average scores. The 1991 spread followed the decline in scores, dipping to twenty-five points. Seventy-five percent of high school graduates in the State took the SAT's in 1991, a marked increase upon the 1990 participation level of 67 percent.

Enrollment in postsecondary schools (two and four year institutions) during 1991 was at 63,275, an increase of 14 percent coming after declines the previous two years. The number of degrees granted in 1991 by New Hampshire colleges (see Section 2 table and footnotes), appears to reflect a decrease and is misleading because of several colleges not reporting data. One major college that did not report, did in fact later confirm they conferred over 1,350 degrees in 1991, an amount which would boost the 1991 total over the previous year.

The number of voc-tech postsecondary graduates increased as well, although economic conditions in the State had an influence on the number employed percentage, as it fell off to 61.5 percent. The lower employment figure may have had an impact on the rising percentage of those students who elected to continue their education, as this category's percentage increased for the second straight year, an overall two year improvement from 11.2 percent to 15.6 percent. The UED/NCES predicts national postsecondary enrollments to increase in the next five years, with the number of students over 25 increasing at a 16 percent rate and students under 25 increasing at a 4 percent rate.

3. LABOR FORCE AND UNEMPLOYMENT

The unemployment situation continued to receive a lot of attention throughout the year. It was one of many troublesome indicators of weak economic conditions. Unless otherwise noted all unemployment statistics are not seasonally adjusted.

Monthly unemployment rates for New Hampshire in 1991, January through November, consistently stayed around the 7.2 percent annual average, with peaks of 7.4 percent in March and November. September and October spurred optimism about a recovery with the year's lows of 7.0 percent. However, December's rate of 7.8 percent sounded an ominous note for the year ahead; this was the highest monthly rate in almost ten years. State unemployment rates through October 1992 do not show many signs of the hoped-for recovery; the highest rate occurred in April (7.9 percent), although the July and August rates actually tie or dip below the comparable 1991 rates. There are other encouraging signs in the economy that conditions are improving; however the unemployment rate has been relatively slow to respond. This at least indicates that there is no crippling labor shortage to discourage potential employers to the state.

New England experienced 8.0 percent unemployment in 1991. The Massachusetts annual rate of 9.0 percent contributed strongly to this since the Massachusetts labor force is almost equal to the combined total of the other five New England states, and helps explain the logic behind the phrase that "when Massachusetts sneezes, New Hampshire catches cold." The weakening of other regions of the United States was not good news for New Hampshire or New England; it meant a slowdown in orders from outside the region and meant it was less likely that this region would receive any massive Federal aid.

The unemployment rate for men averaged 7.8 percent annually in 1991, continuing the previous year's pattern of running higher than the female unemployment rate of 6.5 percent. Job losses in construction particularly contributed to the increase in male unemployment from a low of 2.1 percent in 1988. Teenage (16 to 19 years) unemployment rates rose from a low of 5.8 percent in 1987, to 10.0 percent in 1988, 12.8 percent and 12.6 percent in 1989 and 1990 respectively, and hit 22.0 percent in 1991!

SOME RECENT NEW HAMPSHIRE UNEMPLOYMENT RATES

FALL BELOW NATIONAL RATES THAT ARE ON THE RISE

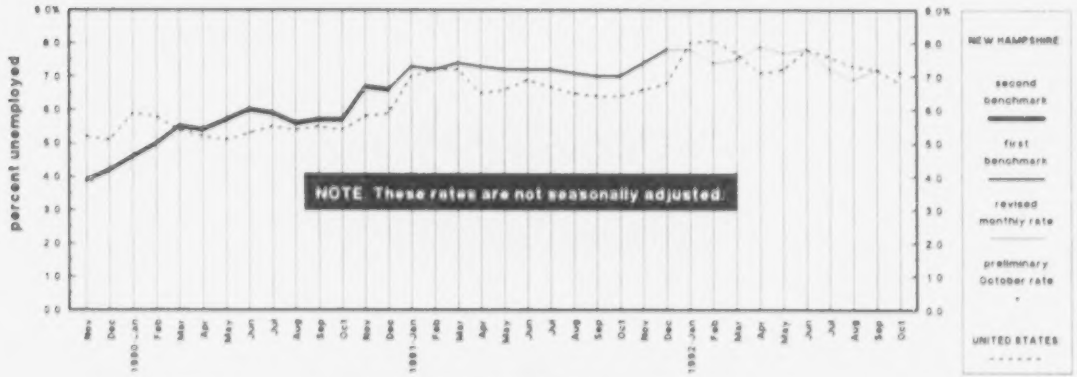


Figure 3.a: NEW HAMPSHIRE and UNITED STATES UNEMPLOYMENT RATES

From having the lowest annual average unemployment rate in the nation from 1983 through 1988, New Hampshire tied for an undistinguished rank of 37th lowest in 1991 (at 7.2 percent). Nationally, the annual average unemployment rate was 6.7 percent in 1991. In fact, in 1991, the New Hampshire rates were higher than the United States rates for each month except for February when they were tied at 7.2 percent; this tie was more a matter of the national employment decline than any improvement in New Hampshire. The United States has followed New England into recession over the last couple of years.

The New Hampshire labor force grew more slowly: from 1990 to 1991 the change was only 0.6 percent, compared to 3.1 percent from 1989 to 1990. For 1992, the annual percentage change will probably be negative for the first time since at least 1978. January through September 1992 all show lower labor force totals than corresponding months in 1991. The October 1992 labor force was higher than a year ago.

The strong work ethic was shown to be still alive and well in New Hampshire despite the continuing onslaught of bad

news about the availability of jobs. The male labor force participation rate (81.6 percent) was again highest in the country for 1991, a continuation of the unbroken record since at least 1987. The male participation rate actually dropped to a level lower than the preceding four years, slightly above the 1986 level; this may reflect discouragement because of increasingly long spells of unemployment (see below) or perhaps the trend towards early retirement. The female rate increased slightly, and ranked second in the United States in 1991 as it had in 1990. This may reflect an attempt to recover income as males lost jobs.

As the recession deepened New Hampshire employers overall substituted part-time work for full-time work. The number of persons in the New Hampshire work force working full time jobs has decreased from about 485,000 in 1989 to 464,000 in 1991. Those working part time for economic reasons who normally work full time increased from 8,000 to 14,000. (Such economic reasons include slack work, material shortages, repairs to plant or equipment, start or termination of a job during the week of the survey, and inability to find full-time work.) Those working part time for economic reasons who normally work part time went from 7,000 to 22,000. This could indicate a great deal of part-time job shifting, even more part-time work for part-time employees, additional entrants from households who want to work part-time, or some other factor. Persons voluntarily working part time dropped from about 90,000 to 88,000 (see graph). The number of people working part-time, either voluntarily or involuntarily, was up to 125,000 in 1991 from 105,000 in 1989. Women comprised about 68 percent of the part-time workers. Twenty thousand New Hampshire teenagers aged 16 to 19 years worked part-time, down from 23,000 in 1989.

FULL-TIME EMPLOYMENT DROPS AS PART-TIME JOBS AND UNEMPLOYMENT RISE

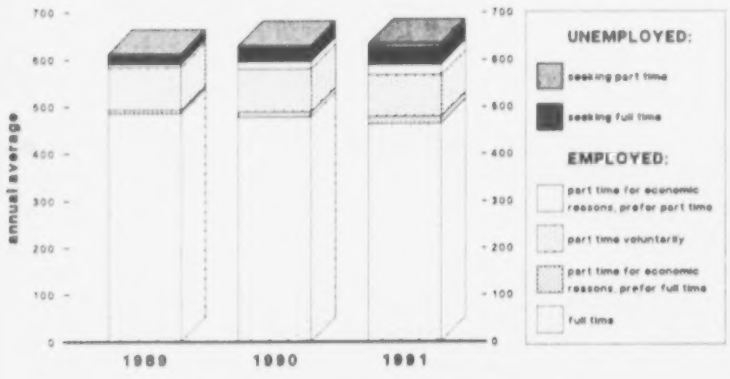


Figure 3.b: DISTRIBUTION OF THE NEW HAMPSHIRE LABOR FORCE BY EMPLOYED/UNEMPLOYED AND FULL TIME /PART TIME

The percentage of people working at more than one job, known as multiple jobholding, was estimated at 8.8 percent for May 1991, but is subject to considerable sampling error; this was up from the 6.4 percent estimate for May 1989. Comparable United States estimates showed a rate of 6.2 percent for May, 1989 and 1991.

The annual average number of unemployed people in New Hampshire rose an additional 10,000 from 1990 to 1991, reaching 46,000. Unemployment had been "only" 21,000 in 1989. These are persons not working, but who are actively seeking work.

Reflecting the serious recession, workers became more reluctant to leave jobs they currently held. Unemployed persons classified as "job leavers" dropped from about 3,600 in 1989 to 3,200 in 1991. More workers, however, were "job losers". From approximately 10,450 job losers in 1989 (out of the estimated 21,000 persons unemployed), this category grew to about 31,600 in 1991 (out of the estimated 46,000 persons unemployed). Unemployed persons classified as "reentrants" or "new entrants" increased in number from 1989 to 1991, but became relatively smaller segments of the unemployed as the number of job losers tripled. It has obviously become an employer's market. Men were much more likely to be job losers (78.8 percent of unemployed males in 1991), due in part to the continued contraction in traditionally male-dominated industries like manufacturing and construction. Women were strongly affected by job loss also (53.8 percent of female unemployed were job losers), but a large component was reentrants into the labor force (28.4 percent of female unemployed), reinforcing the notion of households attempting to cope with the recession through increased labor force participation by a second member.

Unemployment experiences lasted longer in 1991 as unemployment concentration shifted from shorter spans to longer ones. The percentage of those unemployed for less than five weeks declined from 38.8 percent in 1990 to 26.6 percent in 1991. For five to fourteen weeks duration, the percentage was 36.3 percent in 1990 and 31.7 percent in 1991. The largest category in 1991 was those unemployed fifteen weeks and over, with 41.7 percent of the unemployed, up from 24.9 percent in 1990. Additionally, in 1991 a disheartening 25.1 percent were unemployed twenty-seven weeks or longer (more than double 1990) and, in a new category of fifty-two weeks or longer, 11.1 percent of the unemployed were still continuing their unsuccessful job search.

In summary, not only were there significantly more persons unemployed in New Hampshire in 1991, they were also unemployed for longer periods of time.

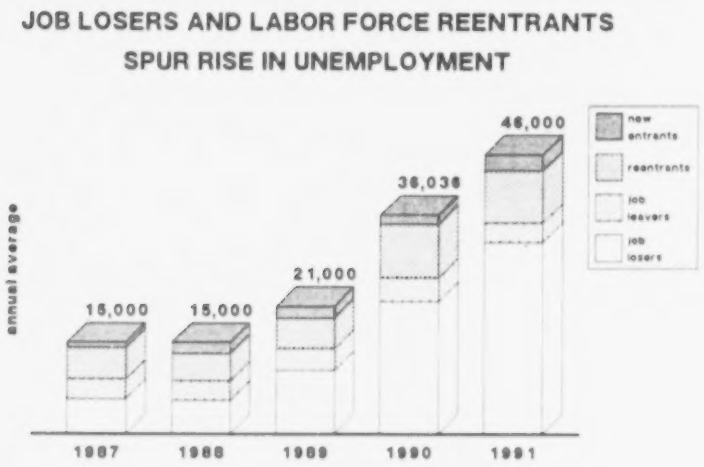


Figure 3.c: DISTRIBUTION OF THE NEW HAMPSHIRE UNEMPLOYED BY THE ORIGIN OF THEIR JOBLESSNESS

ACTIVE APPLICANTS

The number of active applicants has been increasing steadily from 1988, showing an 18 percent increase in each of the last two years. The primary group using the Employment Services of the local Employment Security offices are those in the 22 to 54 years age bracket. The relative proportion of those under 22 years has declined while those 55 years and over have increased their use of the services.

The occupations of these job-seekers reveal an increase in the availability of professional, technical, and managerial applicants; these white collar workers often suffered layoffs because of the layoff of middle management and computer specialists. The increase in machine trades occupations reveals the weakness in the durable goods sector. Structural work occupations (construction workers) continued to be the largest category of active applicants, the percentage remaining nearly flat from 1989 through 1991 but representing an increasing number of applicants as the overall pool expanded.

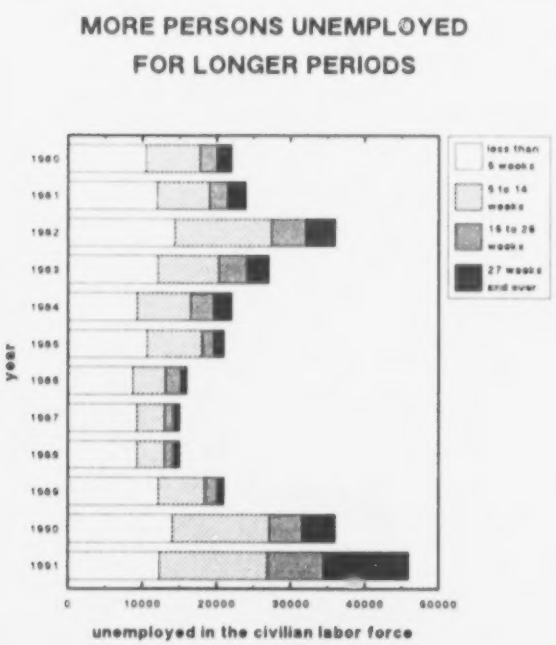


Figure 3.d: DURATION OF UNEMPLOYMENT 1980-1991
CURRENT POPULATION SURVEY ESTIMATES

UNEMPLOYMENT INSURANCE

The number of weeks compensated for unemployment increased from 102,544 in 1988 to 663,951 in 1991, an overall increase of 547.5 percent. The good news is that the rate of increase slowed down to 39.1 percent for 1990 to 1991; it was 107.7 percent for 1988 to 1989 and 124.1 percent for 1989 to 1990.

Benefits paid increased 522.9 percent from 1988 to 1991. In tandem with the number of weeks, the percentage increase slowed down to 37.9 percent from 1990 to 1991. Data for the first ten months of 1992 indicate a reduction of almost 30 percent. Average duration of benefit payments increased to 12.38 weeks in 1991, still well below the national average of 15.4 weeks. New Hampshire lost its first place ranking (held from 1985 to 1989), placing 7th in 1990 and 12th in 1991.

The average weekly benefit amount, the average amount an unemployment claimant would receive weekly, increased 4.3 percent from 1988 to 1991. At $130.45, it was still well below the national average of $169.88.

In March 1992, the Unemployment Compensation Fund hit its lowest point since July 1985, at $111.7 million. The peak, $202 million, had been reached in November 1989. The fund was back up to $128.8 million by October 1992.

From first quarter 1986 through second quarter 1991, many employers enjoyed a 1.5 percent Fund Balance Reduction which reduced the 2.7 percent tax rate on the first $7,000 of wages paid to an employee. Because of the drain by the increase in unemployment claims on the Unemployment Compensation Fund, the Reduction was progressively decreased. Beginning in July 1992, there will be no Fund Balance Reduction until the Fund reaches $200 million;

3. LABOR FORCE AND UNEMPLOYMENT	1988	1989	1990	1991	Source
A. LABOR FORCE ESTIMATES from the Local Area Unemployment Statistics Program					
CIVILIAN LABOR FORCE (annual average)	598,000	611,000	630,000	634,000	BLS
Annual percent change	1.7%	2.2%	3.1%	0.6%	DES
Male participation rate	82.4%	82.7%	83.2%	81.6%	BLS
United States rank	1	1	1	1	BLS
Female participation rate	63.3%	63.6%	65.2%	65.3%	BLS
United States rank	4	4	2	2	BLS
Work 35 hours or more per week	77.1%	77.6%	74.4%	74.2%	BLS
Work part-time for economic reasons	2.2%	2.5%	4.4%	6.1%	BLS
United States rank (incl. D.C.)	46	47	28	Tie 39	
UNEMPLOYED (annual average)	15,000	21,000	36,000	46,000	BLS
Unemployment rate (annual average)					
New Hampshire	2.4%	3.5%	5.6%	7.2%	BLS
United States rank (1=lowest)	1	Tie 3	Tie 30	Tie 37	BLS
New England	3.1%	3.9%	5.7%	8.0%	BLS
United States	5.4%	5.2%	5.5%	6.7%	BLS
Men					
New Hampshire	2.1%	3.3%	5.9%	7.8%	BLS
New England	3.3%	4.1%	6.2%	8.8%	BLS
United States	5.5%	5.2%	5.6%	7.0%	BLS
Women					
New Hampshire	2.9%	3.8%	5.3%	6.5%	BLS
New England	2.9%	3.6%	5.0%	7.0%	BLS
United States	5.6%	5.4%	5.4%	6.3%	BLS
Teenagers (16-19)					
New Hampshire	10.0%	12.8%	12.6%	22.0%	BLS
New England	8.6%	12.3%	14.2%	17.3%	BLS
United States	15.3%	15.0%	15.5%	18.6%	BLS
Percent of total unemployed:					
Unemployed 15 weeks or more	13.5%	12.6%	24.9%	41.7%	BLS
United States rank (of 51, 1=lowest)	3	Tie 1	39	50	BLS
Unemployed because lost job	36.6%	49.7%	60.6%	68.7%	BLS
United States rank (1=lowest)	3	40	Tie 50	51	BLS
B. NEW HAMPSHIRE EMPLOYMENT SECURITY LOCAL OFFICE DATA					
ALL APPLICANTS ACTIVE ANYTIME DURING PROGRAM YEAR (July 1 through June 30th)	41,062	51,489	60,944	71,982	DES
By age group					
Under 22	18.0%	16.7%	14.8%	11.3%	DES
22 - 54	74.2%	76.1%	77.6%	80.2%	DES
55 & over	7.8%	7.2%	7.5%	8.5%	DES
With full occupational classification:	41,004	51,389	60,704	71,730	DES
By selected occupation groups					
Professional, technical, managerial	16.2%	16.1%	15.7%	17.0%	DES
Clerical occupations	20.0%	19.3%	19.2%	17.8%	DES
Sales occupations	5.4%	5.4%	5.1%	5.5%	DES
Service occupations	14.2%	12.7%	12.5%	12.4%	DES
Machine trades occupations	6.7%	6.7%	7.4%	8.1%	DES
Benchwork occupations	7.0%	6.3%	6.1%	6.2%	DES
Structural work occupations	18.5%	20.5%	21.0%	20.7%	DES

3. LABOR FORCE AND UNEMPLOYMENT (Continued)	1988	1989	1990	1991	Source
UNEMPLOYMENT INSURANCE					
Weeks compensated for unemployment (UI)	102,544	213,033	477,320	663,951	DES
Benefits paid, unemployment insurance (000)	$14,498	$30,130	$65,481	$90,307	DES
Average duration, benefit payments (weeks)	5.38	6.65	9.86	12.38	UIS
United States average	13.94	13.35	13.44	15.40	UIS
United States rank (1=lowest)	1	1	7	12	
Average benefits paid per covered worker	$33.25	$69.28	$120.47	$179.44	UIS
United States rank (incl, D.C., 1=lowest)	1	8	21	25	
National average	$149.86	$158.30	$170.09	$242.11	UIS
Average weekly benefit amount					
New Hampshire	$125.06	$127.22	$128.42	$130.45	UIS
United States	$144.53	$151.76	$161.55	$169.88	UIS
C. LABOR DISPUTES					
Number	4	2	0	1	DES
Employees involved	232	2,350	0	83	DES

progressive restoration of the Reduction will then resume, with full restoration when the Trust Fund reaches $250 million. Starting on January 1, 1994, the taxable wage base increases to $8,000. These changes are to improve the fiscal soundness of the Unemployment Compensation Fund. New Hampshire has fared better in this recession as far as maintaining the fiscal health of its insurance fund and continues to offer employers one of the lowest tax rates in the country.

The number of claimants that exhausted benefits totalled 9,031 for the year ending June 30, 1992; the previous year had seen 6,137 exhaustions. The exhaustion rate is the number of people exhausting benefits as a portion of the number of people receiving first payments. In the same time frame, the exhaustion rate climbed from 12.52 percent to 16.86 percent.

In November 1991 Emergency Unemployment Compensation became available. Under this new Federal legislation claimants that had exhausted regular benefits could qualify for additional weeks of benefits through July 4, 1992. Statistics for this new program were collected separately and not added into regular counts. The program was extended twice, and is currently set to expire on March 6, 1993. Some claimants, based on eligibility, have been allowed to opt for either regular state benefits or the emergency federal benefits, whichever fits their needs. This probably has led to a small amount of undercounting of people that would normally be filing regular state claims; however, a survey conducted in New Hampshire Local Employment Security offices indicates that regular state benefits are chosen over 97 percent of the time when the claimant is eligible for both.

In the second calendar quarter of 1991 the average monthly total unemployed was estimated to be 46,410. The average monthly total of all state insured unemployed in that quarter was 16,600, only 35.8 percent of the total unemployed. In the second quarter of 1992, of the 49,020 unemployed, only 12,100 or 24.7 percent were insured unemployed. When Emergency Unemployment Compensation claims are added in for 1992 (did not exist in second quarter in 1991), the new total is 15,390 or 31.4 percent. There are several possible explanations for this gap between total unemployed and claimants. First, residents of New Hampshire that worked and were laid off in another state would not show up in counts of New Hampshire claimants but would be counted in the total unemployed in the state. Second, persons who have exhausted benefits would be in the total number of unemployed, but not in the claimants total. Third, people that were permanently laid off and received severance payments were not considered insured unemployed while they were receiving payment; however, they were clearly unemployed and counted in total unemployment. For final consideration, there seems to be a trend that fewer people are covered by unemployment insurance, perhaps because they work part-time or on a contingency basis.

4. EMPLOYMENT BY INDUSTRY

As the recession continued through 1991, the total number of jobs in nonagricultural wage and salary employment continued its decline. The loss of 27,800 jobs in New Hampshire between 1990 and 1991 was the worst annual average drop during the past twenty years. Also, unlike anything that has happened during the past twenty years, all the major industry sectors had fewer jobs in 1991 than in 1990.

The percentage change of minus 5.5 percent that accompanied the numerical shift was slightly greater than the New England change of minus 4.8 percent and significantly worse than the national decline in total nonagricultural wage and salary employment of 1.3 percent. This is the second consecutive year that New Hampshire has experienced a more severe percentage job loss than New England, and the third consecutive year that our percentage job loss was worse than the United States.

SECOND YEAR OF JOB LOSSES FOR NEW HAMPSHIRE

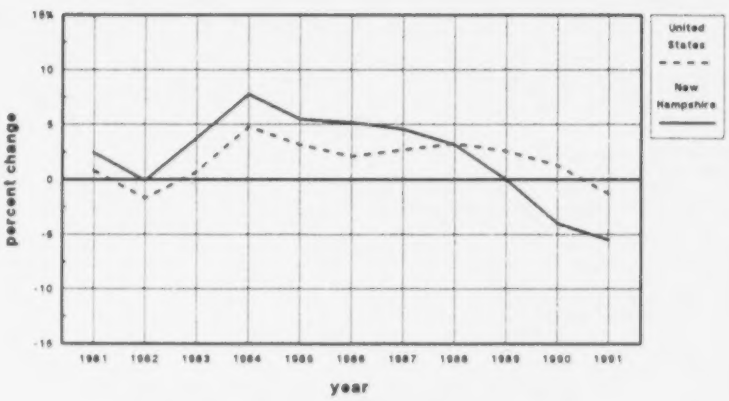


Figure 4.a: TOTAL NONAGRICULTURAL EMPLOYMENT CHANGE from PREVIOUS YEAR U.S. vs NEW HAMPSHIRE

On a brighter note, the nonagricultural wage and salary employment totals for the first nine months of 1992 have not decreased in the fashion of the past several years. The first three quarters of 1992 have an average decrease of 7,500 jobs (-1.6 percent) as opposed to a drop of 30,400 (-6.0 percent) for the same time period in 1991 and a decline of 19,700 (-3.7 percent) for 1990. Whether or not this signifies the end of the recession is still too early to tell. Even if the answer is yes, the road to recovery will be long and bumpy. The number of jobs lost during the past several years has been substantial and it will take years before we reach the level of employment that existed prior to the recession.

As mentioned earlier, the job losses encountered between 1990 and 1991 were in every major industry sector. Construction was by far the primary loser with 22.7 percent fewer jobs in 1991 than in 1990. This is the third consecutive year that the job loss in this industry was in the double digit category. Manufacturing employment lost 6.8 percent of its jobs, a slight improvement over the 7.0 percent job loss that had occurred between 1989 and 1990. Neither of these industries has had any significant job change in the first nine months of 1992.

CONSTRUCTION & MANUFACTURING FIRMS CONTINUE DIP

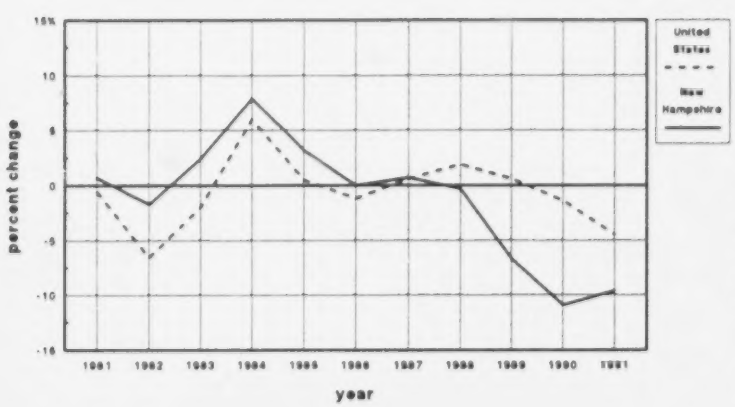


Figure 4.b: GOODS PRODUCING NONAG EMPLOYMENT CHANGE from PREVIOUS YEAR U.S. vs NEW HAMPSHIRE

In the past, the construction and manufacturing industries have led the nation and New Hampshire out of declines in the economy. If these two industries are to follow tradition, they will be the first to show an improvement in the number of jobs created. As of this point, neither has shown any signs of leading us out of the current doldrums. Actually, quite the opposite is happening. Some manufacturing firms are still in the process of reorganizing, which means job loss not job gain. Also, the only significant construction going on these days is the repair of roads and bridges. Commercial and residential building is not growing as it needs to take us out of this recession. Nationally, neither of these industries had job gains between 1990 and 1991, and the first nine months of 1992 have not shown

ALL SERVICE PRODUCING MAJOR INDUSTRY GROUPS CONTRIBUTED TO NEW HAMPSHIRE JOB LOSSES

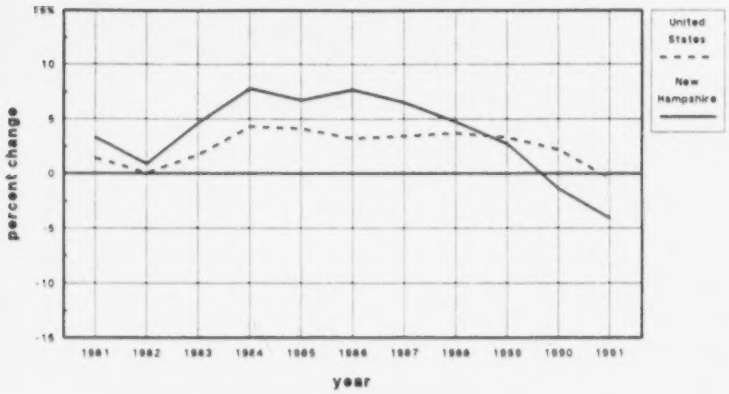


Figure 4.c: SERVICE PRODUCING NONAG EMPLOYMENT CHANGE from PREVIOUS YEAR U.S. vs NEW HAMPSHIRE

any significant gains. All of this does not bode well for a quick recovery from our economic plight.

Wholesale and retail trade employment continued its job loss in 1991 for the second consecutive year. Employment in that industry dropped by nearly 11,000 during 1991 for a job loss of 8.4 percent. This decrease occurred even though many large chain stores opened their doors throughout the state during the calendar year 1991. The general slump in sales caused many of the stores to decrease their staff size and the new stores that began operation did not hire enough people to make up the difference. Nationally, the trade industries also suffered an employment loss, down 2.1 percent, for the first time in ten years.

The transportation, communications, and public utilities industries which had lost 200 jobs in 1989 and 300 jobs in 1990 reduced their work force by another 800 by the end of 1991. On a nationwide basis, this sector also experienced a decrease, down 1.5 percent. This decrease, albeit small in size, was the first time since 1983 that there was no growth in that industry for the United States.

Finance, insurance, and real estate, with its many dilemmas, continued its downward plunge in New Hampshire throughout 1991. The banking industry, still embroiled in bad loans, reorganizations and downsizing, and the real estate industry, unable to sell as much property as it had in the past, combined to create job decay of 2.5 percent by the end of 1991. Neither of these industries has exhibited any signs of significant improvement during the first three quarters of 1992 and none are expected in the near term. For the nation, this industry saw its first decline in nearly fifty years. Average annual employment in the United States fell by 0.8 percent in 1991. The last time this industry declined nationally was in 1944 when the employment dropped by 1.4 percent.

Services and government were the only two industries to show any improvement in the number of people employed in the United States, the former up 0.8 percent and the latter up 0.4 percent. The increase in the services industries was the only bright spot for the nation's economy, with most of the growth occurring in the health sector. In New Hampshire, services and government each had a loss of 1.4 percent by December 1991.

4. EMPLOYMENT BY INDUSTRY	1988	1989	1990	1991	Source
NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT					
ANNUAL EMPLOYMENT AVERAGES (1991 prelim.)					
All industries	529,000	529,100	508,000	480,200	DES
Goods producing	154,500	144,200	128,500	116,100	DES
Durable goods manufacturing	81,300	78,600	73,500	67,600	DES
Industrial & commercial machinery & computer equipment	25,200	24,300	22,900	21,500	DES
Electronic/electrical equipment & components except computer	14,900	15,200	14,600	13,400	DES
Nondurable goods manufacturing	36,700	35,000	32,100	30,800	DES
Construction and mining	36,600	30,700	22,900	17,700	DES
Service Producing	374,700	384,800	379,600	364,100	DES
Transportation, communications, public utilities	18,400	18,200	17,900	17,100	DES
Wholesale and retail trade	135,900	137,200	129,400	118,500	DES
Finance, insurance, and real estate	32,300	32,400	31,500	30,700	DES
Services	119,400	125,900	128,000	126,200	DES
Federal, state, and local government	68,700	71,200	72,700	71,700	DES
ANNUAL EMPLOYMENT PERCENT CHANGES					
All industries					
New Hampshire	3.2%	0.0%	-4.0%	-5.5%	DES
New England	3.0%	-0.1%	-2.7%	-4.8%	BLS
United States	3.3%	2.6%	1.3%	-1.3%	BLS
Manufacturing					
New Hampshire	0.3%	-3.7%	-7.0%	-6.8%	DES
New England	-1.9%	-3.6%	-6.2%	-6.5%	BLS
United States	1.7%	0.5%	-1.7%	-3.5%	BLS
Durable goods					
New Hampshire	-0.8%	-3.3%	-6.5%	-8.0%	DES
United States	1.9%	0.3%	-2.5%	-4.7%	BLS
Construction and Mining					
New Hampshire	-2.1%	-16.1%	-25.4%	-22.7%	DES
United States	2.5%	0.9%	-0.6%	-8.0%	BLS
Transportation, Communications, Public Utilities					
New Hampshire	6.7%	-1.1%	-1.6%	-4.5%	DES
United States	2.9%	2.1%	2.9%	-1.5%	BLS
Wholesale and Retail Trade					
New Hampshire	4.3%	1.0%	-5.7%	-8.4%	DES
United States	3.3%	2.5%	0.4%	-2.1%	BLS
Finance, Insurance, and Real Estate					
New Hampshire	3.2%	0.3%	-2.8%	-2.5%	DES
United States	1.6%	0.7%	0.5%	-0.8%	BLS
Services					
New Hampshire	5.2%	5.4%	1.7%	-1.4%	DES
United States	5.9%	5.7%	3.6%	0.8%	BLS
Federal, State, and Local Government					
New Hampshire	5.0%	3.6%	2.1%	-1.4%	DES
United States	2.2%	2.3%	3.0%	0.4%	BLS
HIGH TECHNOLOGY EMPLOYMENT & WAGES					
Number of employing units (4th quarter)	3,468	3,596	3,187	3,670	DES
Average annual employment	82,827	82,855	77,631	72,053	DES
Total wages (millions of dollars)	$2,477.6	$2,614.7	$2,652.6	$3,003.7	DES
Average weekly wages	$575.15	$607.09	$657.56	$800.67	DES

5. ESTABLISHMENTS IN PRIVATE INDUSTRY

CLOSINGS CONTINUE TO OUTPACE OPENINGS

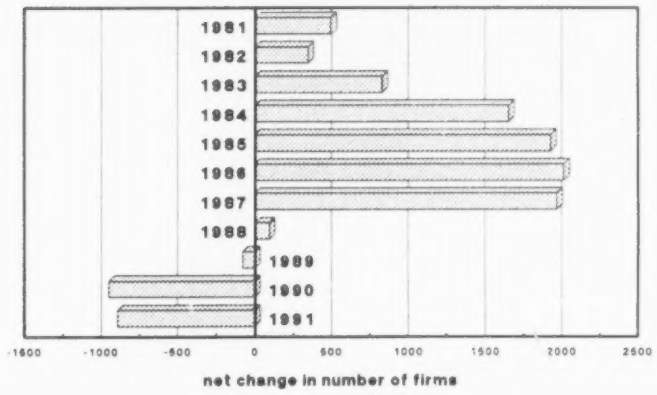


Figure 5.a: AUGUST to AUGUST CHANGE in the NUMBER of COVERED FIRMS with EMPLOYMENT 1980-91

The economic drought that has continued to plague New Hampshire was apparent in the decrease in the number of operational firms covered by unemployment compensation laws as of August 1991. There were approximately 900 fewer units with employment in August 1991 than the previous August. Following the trend that was established in 1990, the largest drop was for companies with 4 to 49 employees. The small firms, 1 to 3 employees, was the next size grouping to have the most reduction in the number of firms with a loss of slightly over two hundred. These smaller firms, employment size of less than 50 people, are the ones that are more likely to be affected by a recession because they have fewer national or international connections that would allow them to weather the bad times. In other words, these firms are usually locally owned and operated and are most likely to have fewer of the resources necessary to carry them through hard times.

All of the major industry divisions, except services, had a decrease in the number of firms from August 1990 to August 1991. Figure 5.b depicts the three industries that were most affected by the economic climate of 1991. Although the number of construction firms continued to decline, the decrease was not as severe as the previous year. This slackening decline indicates that the worst is over for that industry. The finance, insurance, and real estate sector experienced its third consecutive year of firms lost. The real estate sector, still dealing with an overly saturated market and an economy that does not promote the purchase of such big ticket items as land and buildings, will probably continue to suffer losses. The banking industry, still reeling from foreclosures and bad loans, will continue to be watchful of the loans they do approve. What this will cause is limited growth for the construction industry and real estate firms. The upcoming year's economy will be as cautious as the past year has been.

The continued loss of the better paying jobs in the manufacturing and construction industries implies that there is less money left to spend for nonessential services. The secondary effect that this creates is lowering the need for wholesale and retail trade industries and the services industries. This can be seen in the loss of more firms in trade and the very slow growth in the services.

CONSTRUCTION AND TRADE LEAD DECLINE THOUGH CONSTRUCTION BOUNCES BACK IN 1991

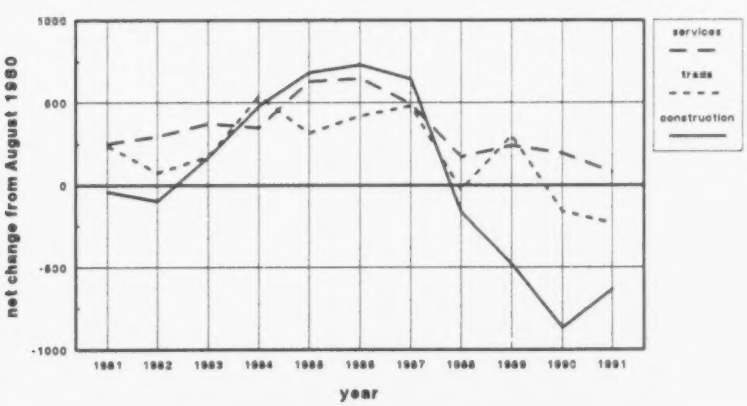


Figure 5.b: AUGUST to AUGUST CHANGE in SERVICES, TRADE & CONSTRUCTION FIRMS with EMPLOYMENT

5. ESTABLISHMENTS IN PRIVATE INDUSTRY	1988	1989	1990	1991	Source
TOTAL NUMBER OF UNITS with employment *(August data)*	29,594	29,516	28,564	27,669	DES
1 - 3 employees	13,582	13,307	13,150	12,921	DES
4 - 49 employees	14,559	14,726	14,026	13,467	DES
50 - 99 employees	812	836	767	708	DES
100 - 499 employees	559	567	539	496	DES
500 - 999 employees	47	47	51	47	DES
1,000 & over employees	35	33	31	30	DES
NET ANNUAL CHANGE IN NUMBER OF UNITS	98	-78	-952	-895	DES
PERCENT OF TOTAL EMPLOYMENT (by size of firm)					
1 - 3 employees	5.0%	5.1%	5.3%	5.4%	DES
4 - 49 employees	38.5%	37.8%	37.2%	37.6%	DES
50 - 99 employees	12.4%	12.4%	12.0%	11.6%	DES
100 - 499 employees	22.7%	23.4%	23.0%	22.7%	DES
500 - 999 employees	7.2%	7.1%	8.2%	8.2%	DES
1,000 & over employees	14.2%	14.2%	14.3%	14.6%	DES
FIRMS WITH 100 OR MORE WORKERS					
New Hampshire - Percentage	1.91%	1.98%	1.95%	1.99%	CB/DES
United States rank	31	32	N.A.	N.A.	CB
Connecticut - Percentage	2.39%	2.38%	2.37%	N.A.	CB
United States rank	11	14	N.A.	N.A.	CB
Maine - Percentage	1.62%	1.60%	1.63%	N.A	CB
United States rank	39	42	N.A.	N.A.	CB
Massachusetts - Percentage	2.74%	2.76%	2.72%	N.A.	CB
United States rank	2	2	N.A.	N.A.	CB
Rhode Island - Percentage	2.16%	2.12%	2.08%	N.A.	CB
United States rank	18	27	N.A.	N.A.	CB
Vermont - Percentage	1.26%	1.28%	1.27%	N.A.	CB
United States rank	46	48	N.A.	N.A.	CB
NEW INCORPORATIONS					
New Hampshire establishments	3,388	2,945	2,679	2,528	SST
Out-of-State establishments	1,059	1,000	951	832	SST
NEW OR EXPANDED MANUFACTURING					
New firms: Number of companies	40	29	28	56	OID
Floor space (1000 square feet): Total	81	521	340	372	OID
Existing firms: Number	46	46	18	N.A	OID
Additional floor space (1000 square feet): Total	888	812	149	N.A	OID
EMPLOYMENT IN NEW & TERMINATED FIRMS					
New establishments	4,556	3,971	3,817	3,851	DES
Total employment	18,990	12,011	14,285	16,292	DES
Terminated firms	3,921	3,420	2,781	2,917	DES
Total employment	8,029	11,322	7,910	7,713	DES

6. ENERGY

Barring international catastrophe, energy prices should rise slowly in 1993. Crude oil prices are expected to increase from a present rate of $20.50 per barrel to $23 per barrel during the next two years, roughly 15 percent.[1]

With New Hampshire Electrical Cooperative and Public Service of New Hampshire having a fixed rate agreement in place, electricity costs are expected to go up an average of only 5.5 percent over the next year. However, with electricity costs in New Hampshire at slightly more than six cents per kilowatt hour, which is among the highest in the country (the national average is almost five cents), the merger of Northeast Utilities and the Public Service Company of New Hampshire, and the contribution of Seabrook Station have removed concerns about the stability of the electricity supply in the short run.[2]

NEW HAMPSHIRE'S ELECTRICITY PRODUCTION CLIMBS AS REGION'S PRODUCTION FALLS

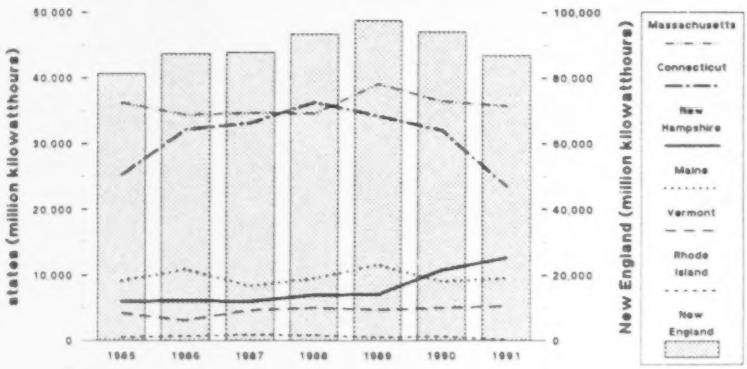


Figure 6.a CHANGE in ELECTRIC ENERGY GENERATED in NEW ENGLAND from 1985

New Hampshire's Seabrook nuclear powered electricity generating plant is now accounting for 53.4 percent of the state's net electric energy generation, up from 37.8 percent in 1990. The total output of all generating facilities in New Hampshire in 1991 was 12.7 million kilowatt-hours up from 10.8 million in 1990, an increase of roughly 18 percent. Since Seabrook came on-line, net energy generated increased by 78 percent from 7.1 million kilowatt-hours to 12.7 million kilowatt-hours.

Total electricity sales to ultimate customers declined 1.0 percent in New England and 2.5 percent in New Hampshire between 1990 and 1991. In New Hampshire, residential electricity sales were off 92 million kilowatt-hours from annual sales of 3,449 to 3,357 million kilowatt-hours; commercial sales had a slight increase of 22 million kilowatt-hours; and industrial electricity sales dropped by 151 million kilowatt-hours from 3,089 to 2,938 from 1990 to 1991.

N.H.'S ELECTRIC NEEDS SLIP SLIGHTLY; BUT EXPORTS OF ELECTRICITY SOAR, SPARKED BY NUCLEAR OUTPUT

Figure 6.b ENERGY GENERATED vs ENERGY PURCHASED in NEW HAMPSHIRE from 1985

Another plus for the state of New Hampshire in 1993 is a greater supply of natural gas, with prices expected to increase at about the rate of inflation, approximately 3.5 percent. The state's largest natural gas utility, Energy North Corporation, has expanded its supply by eight percent by connecting to a Canadian pipeline to supplement southern sources. This will allow the utility to supply more gas to more customers. However, in the event of a severe 1992-1993 winter, U.S. demand for natural gas could strain the domestic supply system and cause sharply higher spot gas prices. Nevertheless, even under the most severe sustained cold weather conditions, little or no supply curtailment is expected.

[1] Holly Babin, "Is It Over Yet?", *Business New Hampshire*, December 1992.
[2] Dan Wise, "The Big Chill Continues", *Business New Hampshire*, January 1992.

6. ENERGY	1988	1989	1990	1991	Source
ELECTRICAL ENERGY PURCHASED					
Sales to Ultimate Customers (million KWH)					
New Hampshire:					
Total	8,510	8,744	8,648	8,433	EC
Percent change	5.8%	2.7%	-1.1%	-2.5%	
Residential	3,468	3,548	3,449	3,357	EC
Percent change	6.2%	2.3%	-2.8%	-2.7%	
Commercial	1,939	2,014	2,004	2,026	EC
Percent change	7.3%	3.9%	-0.5%	1.1%	
Industrial	3,003	3,079	3,089	2,938	EC
Percent change	4.5%	2.5%	0.3%	-4.9%	
New England:					
Total	102,406	104,490	104,075	102,989	EC
Percent change	5.4%	2.0%	-0.4%	-1.0%	
Residential	37,731	38,415	37,696	37,290	EC
Percent change	6.4%	1.8%	-1.9%	-1.1%	
Commercial	35,836	37,045	37,502	37,673	EC
Percent change	5.6%	3.4%	1.2%	0.5%	
Industrial	26,920	27,042	26,895	26,052	EC
Percent change	3.5%	0.5%	-0.5%	-3.1%	
NET ENERGY GENERATED (millions KWH)	6,997	7,125	10,810	12,705	EC
As percentage of energy purchased	82.2%	81.5%	125.0%	150.7%	EC
As percentage of total generated by type					
Hydroelectric	13.8%	15.3%	10.6%	9.4%	EC
Fossil fuel	85.8%	84.5%	48.6%	37.2%	EC
Nuclear	--	--	37.8%	53.4%	EC
ENERGY EXPENDITURES PER CAPITA ($ per capita)	$1,555	$1,681	$1,777	N.A.	EIA
United States rank	40	37	39	N.A.	EIA
ENERGY PRICES (dollars per million BTU)	$9.76	$10.39	$11.30	N.A.	EIA
United States rank	4	3	5	N.A.	EIA
Petroleum Prices (dollars per million BTU)	$5.88	$6.57	$7.27	N.A.	EIA
United States rank	35	35	42	N.A.	EIA
Electric prices (dollars per million BTU)	$24.24	$24.49	$26.67	N.A.	EIA
United States rank	5	6	5	N.A.	EIA
ENERGY CONSUMPTION					
Total consumption (trillion BTUs)	242.8	250.3	242.9	N.A.	EIA
Annual percent change	0.1%	3.0%	-3.0%	N.A.	
United States rank (percent change)	50	14	36	N.A.	
Types of energy consumption (percent of total)					
Residential	29.8%	31.3%	27.5%	N.A.	EIA
Commercial	16.0%	15.7%	16.8%	N.A.	EIA
Industrial	22.3%	22.3%	24.5%	N.A.	EIA
Transportation	31.9%	30.7%	30.0%	N.A.	EIA
Energy consumption per capita (million BTU)	223.8	226.2	219.0	N.A.	EIA
United States rank (including D.C.)	49	49	49	N.A.	EIA
Net energy coming into State (trillion BTU)	18.0	24.1	-18.9	N.A.	EIA
FUEL CONSUMED TO GENERATE ELECTRICITY					
In equivalent barrels of oil					
New Hampshire total (thousands barrels)	9,288	9,340	14,773	18,242	EC
Oil	4,870	5,135	4,020	2,704	EC
Coal	4,408	4,201	4,153	4,500	EC
Gas	9	4	-	-	EC
Nuclear	-	-	6,599	11,038	EC

7. PRODUCTION

The estimated total market value of all goods and services produced in New Hampshire in 1991 exceeded twenty-five billion dollars (measured in current dollars), as it had in 1990. There was, however, an almost imperceptible increase in gross state product (GSP) from 1990 -- only three tenths of a percent growth. In fact, when comparing estimated gross state product valued in constant 1987 dollars, real output has dropped each year since 1988. This coincides with increasing levels of unemployment in the state. Real output in New Hampshire dropped an estimated 3.3 percent from 1990 to 1991.

WORTH A SECOND LOOK:
REAL STATE PRODUCT FALLS FROM 1988

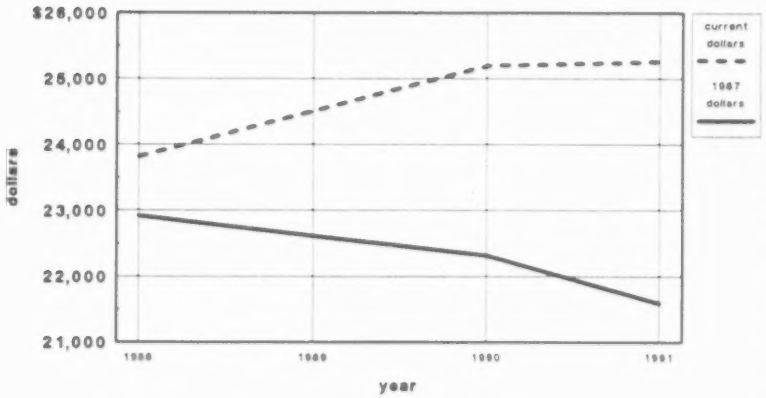


Figure 7.a: GROSS STATE PRODUCT
CURRENT DOLLARS VS. 1987 DOLLARS

When the year is ended, all statistics gathered, and calculations made, gross state product performance for 1992 will most likely improve slightly over 1991. Expect to see slow nominal growth (valuation in current dollars) and very little change in real growth (either a small increase or decrease is possible -- but any drop in real output should not be near the -3.3 percent experienced in 1991). One reason for these expectations is stable prices for many goods, as evidenced by slow increases in the various official price indices. Another reason is a continued high, but stable, level of unemployment. Unemployment represents unutilized resources, which affect the amount of total real output. Increasing unemployment works to offset any increases in real output caused by productivity increases and, since 1988, unemployment increases have overwhelmed any such productivity increases. The overall stabilization of unemployment in 1992 shifts the influence on real output to productivity increases and the amounts of all resources employed; expect to see little overall change in real output for 1992. Slow wage and price increases affect the nominal value of the output created. If real output remains relatively stable, any nominal increase in GSP for 1992 will be small.

Between 1989 and 1990, total value added in manufacturing dropped over two hundred million dollars. This was only about one-fifth the decline between 1988 and 1989. The drops are primarily due to two factors -- declining manufacturing employment and lower value added per payroll dollar. The latest figure available for value added per payroll dollar in manufacturing in New Hampshire, $2.18, is for 1990, and this was 46th highest in the nation. Value added per payroll dollar in 1990 was only two thirds of the 1987 level ($3.26). Relative shares of value added by industry are changing, as well. In 1990, the share of market value for products from industrial machine and equipment manufacturers (including computer manufacturers) slipped to 15.5 percent from 22.3 percent in 1989. This sector relinquished first place, in share of value added, to instruments and related products, which inched up from a 14.9 percent share to a 16.7 percent share.

One bright spot for the future is the scheduled large influx over the next four or five years of several hundred million dollars in federal highway expenditures. Not only will this have a positive impact on employment levels and income in the near term, but an improved highway system will serve to attract additional industrial development.

7. PRODUCTION	1988	1989	1990	1991	Source
GROSS STATE PRODUCT, TOTAL					
In Current Dollars ($ millions)	$23,812	$24,504	$25,188	$25,251	BEA/PSNH
Annual percent change	9.1%	2.9%	2.8%	0.3%	DES
In Constant 1987 Dollars ($ millions)	22,918	22,605	22,311	21,583	BEA/PSNH
Annual percent change	5.0%	-1.4%	-1.3%	-3.3%	DES
VALUE ADDED BY MANUFACTURE ($ millions)					
Total ($ millions)	$6,788.5	$5,771.9	$5,568.5	N.A.	CB
Value Added Per Payroll Dollar					
United States	$2.51	$2.52	$2.49	N.A.	CB
New Hampshire	$2.56	$2.23	$2.18	N.A.	CB
United States Rank (inc. D.C.)	28	44	46	N.A.	CB
Connecticut	$1.96	$2.10	$2.06	N.A.	CB
United States Rank (inc. D.C.)	50	50	49	N.A.	CB
Maine	$2.53	$2.48	$2.36	N.A.	CB
United States Rank (inc. D.C.)	31	33	38	N.A.	CB
Massachusetts	$2.23	$2.28	$2.15	N.A.	CB
United States Rank (inc. D.C.)	47	43	48	N.A.	CB
Rhode Island	$2.10	$2.21	$2.18	N.A.	CB
United States Rank (inc. D.C.)	48	46	47	N.A.	CB
Vermont	$2.64	$2.52	$2.62	N.A.	CB
United States Rank (inc. D.C.)	24	30	27	N.A.	CB
INDUSTRY SHARE OF TOTAL VALUE ADDED					
Industrial Machinery and Equipment	30.6%	22.3%	15.5%	N.A.	CB
Instruments and Related Products	12.8%	14.9%	16.7%	N.A.	CB
Electronic and Related Products	9.6%	9.9%	11.3%	N.A.	CB
Printing and Publishing	6.3%	8.6%	9.9%	N.A.	CB
Paper and Allied Products	6.5%	7.4%	6.8%	N.A.	CB
Rubber and Miscellaneous Products	6.3%	6.3%	6.4%	N.A.	CB
Fabricated Metal Products	4.9%	6.0%	7.9%	N.A.	CB
MANUFACTURER'S SHIPMENTS					
Total ($ millions)	$11,454.1	$10,152.4	$9,727.2	N.A.	CB
Annual Percentage Change	-6.2%	-11.4%	-4.2%	N.A.	CB
NEW CAPITAL EXPENDITURES ($ millions)	$358.2	$398.3	$303.2	N.A.	CB
As a Percentage of Payroll					
New Hampshire	13.5%	15.4%	11.9%	N.A.	CB
Connecticut	10.7%	12.3%	12.5%	N.A.	CB
Maine	26.2%	38.5%	28.2%	N.A.	CB
Massachusetts	12.3%	12.4%	11.3%	N.A.	CB
Rhode Island	9.2%	9.6%	7.9%	N.A.	CB
Vermont	32.4%	36.3%	36.9%	N.A.	CB
United States	16.0%	18.7%	19.2%	N.A.	CB
DEFENSE CONTRACTS ($ millions)	$481	$478	$427	N.A	DD

8. TRADE, RECREATION, AND HOSPITALITY

TRADE

Retail sales in New Hampshire fell around 7.2 percent between 1990 and 1991, according to the ***Sales and Marketing Management*** survey. Food, general merchandise, and automobile and truck sales all experienced a retreat from 1990 figures due in large part to the lingering recession. Eating and drinking places trended upward in 1991, although at a much slower pace than in previous years. The 1991 annual retail sales index for New England was 2.7 percent below 1990, while the same index for the United States climbed only two percent.

TOTAL RETAIL SALES DROP AS SOUR ECONOMY AND POPULATION LOSS PLAY OUT

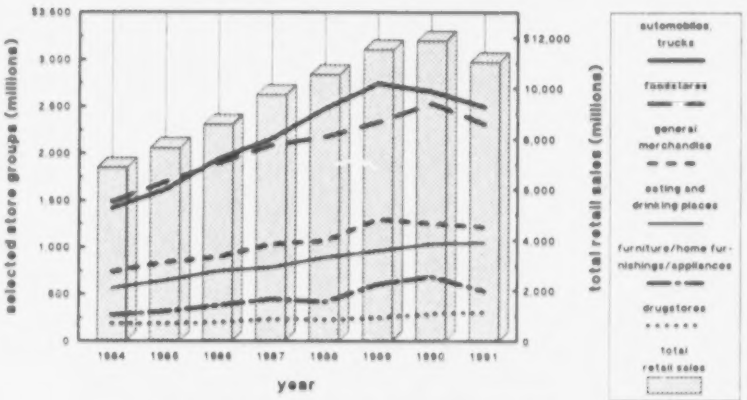


Figure 8.a: RETAIL SALES in NEW HAMPSHIRE by SELECTED STORE GROUP 1984-1991

RECREATION

New Hampshire's skiing industry saw a 7.2 percent rise in the number of skiers to New Hampshire's two state run ski areas (Cannon and Sunapee) in 1991. This increase is due primarily to the sale of season tickets as opposed to daily lift ticket sales. Also, it should be noted that a formula to count the number of skiers by counting cars has been employed by Cannon and Sunapee to more accurately tally the number of skiers that are using season tickets.

The ski areas are becoming more adept at making snow as the "young guns", lighter, mobile, and more advanced snow making machines are making a greater impact on the grooming of the slopes.

According to an economic impact survey done by the New Hampshire Ski Areas Association in June 1992, the 15 ski areas that reported produced more than 1.8 million skier visits to the state in 1991, with $56 million in annual sales. Total payroll in the industry last year was more than $19 million, reflecting 4,094 employees during the winter months.

The emphasis for both big and small ski areas this season is on affordability.[1] After major expansion in the late 1980's the state's two biggest resorts are both talking "value". Waterville Valley has boosted snowmaking capability on its upper mountain and summit trails, but it is stressing the "value" of its condo-based family packages (new this season: teen-agers 13 and up pay $6.00 less than the adult price lift ticket they have had to in the past). Loon introduces "Loon-points" for weekdays and non-holiday periods; the idea being you buy a given number of runs rather than hours.

Another ticketing innovation here in New Hampshire is the interchangeable five day Family pass, good at nine White Mountains ski areas every week except Christmas vacation, but including February school vacation week. For one adult package price, one child per adult can ski free. Among participants are Loon, Waterville Valley, Wildcat, Mount Cranmore, and Bretton Woods.

Yet another New Hampshire concept is Learn-to-Ski Free Week in December. Reservations are a must, but the equipment and lessons are free at all 17 alpine and nine cross-country members of the New Hampshire Ski Area Association. In the last four years, 14,000 new skiers have been created through this program.

Looking at the big picture, however, with the tremendous investments New Hampshire ski resorts have had to make in snowmaking equipment, high-powered lifts, and guest accommodations, it is not enough for them to be full just in the winter months.[2] The creation of attractions and events beyond the ski season will challenge the ski association and its members to bring people to New Hampshire year round.

One attraction that could fill the bill is the New Hampshire International Speedway in Loudon, just north of Concord. It has the potential to attract almost 59,000 spectators to the state in a given weekend and could likely gain New Hampshire a regular spot on national television and a place in the hearts of international motorsports fans.[3] The former Bryar Motorsport Park has been transformed into a state of the art racing facility that has the capacity to handle 52 cars, a media center complete with computer facilities, and two dozen VIP suites for corporate guests and clients. Companies like Coca Cola (the official soft drink of the speedway), Anheuser Busch and Chevrolet are convinced that NHIS can make the grade. With racing stars such as Dale Earnhardt,

8. TRADE, RECREATION, AND HOSPITALITY	1988	1989	1990	1991	Source
RETAIL SALES (millions of dollars)					
Total[a]	$10,528	$11,509	$11,860	$11,009	SMM
Annual percent change	8.3%	9.3%	3.0%	-7.2%	
Food	$2,174	$2,331	$2,532	$2,314	SMM
Eating and drinking places	$895	$963	$1,038	$1,052	SMM
General merchandise	$1,064	$1,295	$1,250	$1,213	SMM
Automobiles, trucks	$2,475	$2,737	$2,658	$2,494	SMM
Retail Sales Indices (1980=100)					
New England, total	209.4	220.4	217.1	211.2	FR
Annual percentage change	11.5%	5.3%	-1.5%	-2.7%	
United States, total	172.2	182.4	189.4	193.1	FR
Annual percentage change	6.8%	5.9%	3.8%	2.0%	
Liquor Sales (fiscal year) retail & wholesale ($ millions)	$172.6	$179.6	$187.7	$194.5	LC
RECREATION/TOURISM					
Skiing (by year season ends), State areas (Cannon, Sunapee)					
Number of skiers, by year season ends	214,000	170,000	217,271	233,000	DRED
Lift sales (excluding concessions, schools) ($ thousands)	$3,451	$2,834	$3,733	$2,949	DRED
State Park Attendance					
(thousands - excluding ski areas)	1,935.3	1,893.3	1,908.1	2,065.0	DRED
Camper days (thousands)	199.6	198.1	192.3	159.8[b]	DRED
Fish & Game licenses (out-of-state)	80,854	79,365	66,838	68,239	F&G
Racing (Pari-mutual statistics)					
Thoroughbred track:					
Attendance (thousands)	1,023.2	1,046.8	1,276.7	1,182.9	PM
Pari-mutuel pool ($ thousands)	$143.2	$141.6	$200.7	$185.9	PM
Greyhound tracks:					
Attendance (thousands)	910.7	923.3	883.6	897.7	PM
Pari-mutuel pool ($ thousands)	$109.0	$107.7	$97.3	$82.9	PM
HOSPITALITY: HOTEL, RESTAURANT ACTIVITY					
Meals & Rooms Receipts (FY end 6-30) ($ millions)					
Total	$1,148.6	$1,171.8	$1,143.7	$1,137.7	RA
Annual percentage change	-	2.0%	-2.4%	-0.5%	
Restaurants	$728.8	$755.6	$742.1	$739.2	RA
Rooms	$206.8	$203.4	$194.3	$195.0	RA
Food service & comb.	$212.9	$212.8	$207.3	$203.6	RA

[a] *Reprinted by permission of Sales & Marketing Management*

[b] *Not comparable to previous counts which included estimates of camper days with free passes.*

Darryl Waltrip, and Geoff Bodine having driven at NHIS, Indy cars, the likes of which Mario Andretti drives, and the stock cars from the Winston Cup division, it seems likely that Loudon will be a regular stop on their tours. The speedway in Loudon has inspired entrepreneurs to begin planning restaurants and hotels.

[1] Tony Chamberlain, "Trend at New England Resorts: Stretching the Season", ***Boston Sunday Globe***, November 15, 1992.

[2] Susan D. Greene, "Going For The Gold", ***Business New Hampshire***, September 1991.

[3] Micky Baca, "Speedway Could Make N.H. an International Racing Mecca", ***New Hampshire Business Review***, August 9, 1991.

9. CONSTRUCTION AND HOUSING

The 1990 Census found 503,904 housing units in the state, an increase of 30.4 percent from the 1980 census total of 386,381 units.

Residential building permits have fallen from 12,313 in 1988 to 3,757 in 1991, a 69.5 percent decrease, reflecting the lack of demand in the construction of new residential dwellings. Home sales for existing homes increased 19 percent between 1990 and 1991 primarily due to the large inventory of homes on the market, low sales activity in 1990, depressed home prices, and low mortgage rates. Through three quarters of 1992, housing sales continue to be brisk for existing homes. However, upon closer inspection, that trend seems to be slowing a bit. In the first quarter of 1992 sales were up 55 percent versus 1991; second quarter improved 31 percent for the same period, but the third quarter only 24 percent, an indication that the existing home market may be cooling off from its robust increases earlier in the year.

The statewide price of the average home in New Hampshire continues its downward trend. The third quarter 1992 decrease of 11 percent in prices below last year is consistent with the price drop reported in the first and second quarters of 1992. This suggests that in some areas of the state prices are stabilizing. The average price of $109,422 in the third quarter has changed little from the second quarter average of $109,253. The slowness of the housing market is mirrored in the increasing number of days a house is on the market. For the third quarter of 1992 a house was on the market for 175 days, as opposed to 155 days for the same period in 1991.

DAYS ON THE MARKET
CLIMBED AS RECESSION DEEPENED

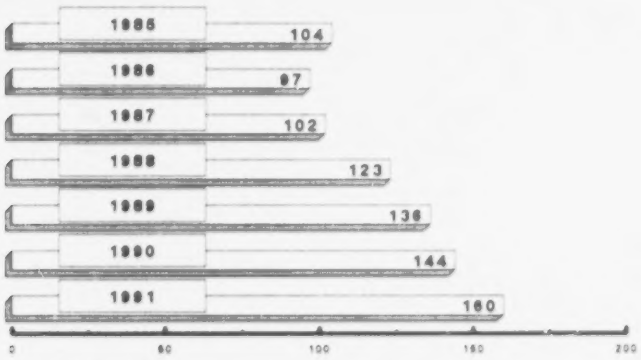


Figure 9.a: ANNUAL AVERAGE NUMBER of DAYS on the MARKET for MULTIPLE LISTING SERVICE HOUSING PROPERTIES from 1985 to 1991

DAYS ON MARKET DROP FOR 2D STRAIGHT QUARTER.
HAS THE REAL ESTATE MARKET TURNED AROUND?

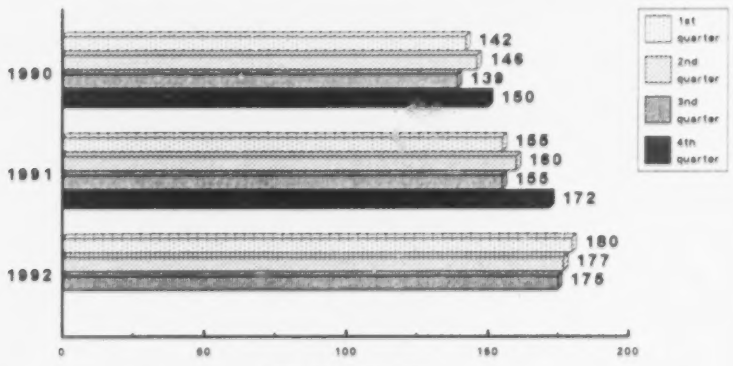


Figure 9.b: QUARTERLY AVERAGE NUMBER of DAYS on the MARKET for MULTIPLE LISTING SERVICE HOUSING PROPERTIES from Q1 1990 to Q3 1992

The construction din of the mid-1980's has given way to a quieter hum of activity as reflected in the above numbers. While there is work in the building industry, little of it involves new construction, thus forcing many commercial and residential contractors to concentrate on the one segment of the industry still showing signs of health and activity - renovations and remodeling.[1]

Due to the beleaguered real estate market, there is an abundance of commercial space that sits empty throughout the state. Many owners are taking advantage of the market and are getting into bigger, more desirable space by leasing or buying existing buildings, thus increasing the amount of rehab and renovations work. With soft construction prices hovering around $19 and $20 a square foot to build warehouse space, a new building is tempting for many owners, but those same owners can lease space for $5.50 a square foot.

Aside from the cost advantages, renovation can also involve a less onerous permit process. Rehab and renovation allow an owner to keep certain features of an older building that would be prohibited to reproduce in a new building.

The disadvantages, however, involve the compromises forced by an existing floor plan, and problems such as asbestos and lack of handicap access.

All the construction contract value indices for New Hampshire, New England, and the United States were down in 1991, except non-building construction which reflect mostly highway construction and infrastructure type contracts. So far, through the first nine months of 1992, the index value of total construction contracts (base year 1980=100) in New Hampshire is averaging 202.6 versus a 1991 annual average of 173.7, better but not impressive.

[1] Matthew Clarkson, "Hammering Out a New Niche", *New Hampshire Business Review*, September 20, 1991.

9. CONSTRUCTION AND HOUSING	1988	1989	1990	1991	Source
RESIDENTIAL BUILDING PERMITS [a]	12,313	7,630	4,750	3,757	OSP
Annual percent change	-23.4%	-38.0%	[a]	-20.9%	OSP
Percent in Hillsborough and Rockingham Counties	44.0%	43.4%	50.7%	51.1%	OSP
Percent multifamily	20.2%	22.0%	22.2%	8.4%	OSP
HOME SALES					
Existing homes (Estimated average sales per quarter - single family, condos, co-ops)	15,300	9,800	7,900	9,400	AR
Percent change:					
New Hampshire	-22.7%	-35.9%	-19.4%	19.0%	AR
Massachusetts	-5.9%	-28.0%	-34.6%	12.5%	AR
Vermont	-2.9%	-53.4%	-1.6%	32.8%	
United States	-0.7%	-3.5%	-8.5%	2.3%	AR
New Hampshire Multiple Listing Service data:					
Average sale price (multiple listing)	$132,129	$138,133	$129,632	$119,683	AR/DES
Annual percent change	1.1%	4.5%	-6.2%	-7.7%	AR/DES
Average number of days on the market	123	135	144	160	AR/DES
CONTRACT VALUE INDICES (base = 1980)					
Total construction:					
New Hampshire	411.7	307.8	188.0	173.7	FR/FWD
New England	298.3	257.2	187.4	179.0	FR/FWD
United States	175.5	176.4	158.2	154.4	FR/FWD
Non-building construction					
New Hampshire	157.6	152.8	126.8	201.4	FR/FWD
New England	209.3	218.1	183.9	231.7	FR/FWD
United States	149.8	150.2	144.0	150.5	FR/FWD
Nonresidential construction					
New Hampshire	491.0	265.3	210.8	204.5	FR/FWD
New England	292.8	261.2	200.5	172.0	FR/FWD
United States	171.2	178.2	156.8	150.2	FR/FWD
Residential construction					
New Hampshire	488.1	396.5	200.9	145.5	FR/FWD
New England	351.2	274.1	172.5	155.8	FR/FWD
United States	190.4	187.8	166.0	161.3	FR/FWD
HOUSING PERMITS AUTHORIZED (annual averages)					
Total	990	555	336	240	FR/AR
Annual percent change:					
New Hampshire	-17.2%	-43.9%	-39.5%	-28.6%	
New England	-21.3%	-34.3%	-29.8%	-19.9%	
United States	-6.0%	-7.1%	-16.3%	-15.4%	
Single units	641	432	269	229	FR/AR
HOUSING UNIT RENTALS					
Median monthly rent (including utilities)	$589	$594	$583	$554	HFA
HOMES FINANCED BY NH HOUSING FINANCING AUTHORITY					
Total	867	1,379	1,429	797	HFA
Percent new	37%	40%	35%	35%	HFA
Percent condo	32%	23%	14%	12%	HFA
NHHFA BOND ISSUES ($ millions)	$75.0	$130.0	$51.0	$125.0	HFA
ASSISTED RENTAL HOUSING CONSTRUCTION					
Total units (NHHFA, HUD, FMHA,& local programs)	65	292	221	139	HFA
For elderly tenants	22	209	120	76	HFA

[a] *1990 represents a break in this data series. In prior years building permit data was published as "year round", an attempt was made to remove seasonal properties from the data. By 1990 it was discovered that there were discrepancies in the previously collected data. It became evident that many towns found it virtually impossible to distinguish between "winterized" seasonal cottages and year-round residences. From 1990 forward data gathered will be for all residential building permits, be they for seasonal or year-round residences.*

10. TRANSPORTATION AND TRAFFIC

Motor vehicle traffic on the turnpikes and interstate highways was once again generally lower during 1991. The two interstate points on the Massachusetts border, Salem (I93) and Seabrook (I95), had lower counts at the end of 1991, after having reported slight increases the previous year. Rural traffic count averages (1990 to 1991) were also lower, with a decrease of 1.1 percent for 1991. For the second year running there was only a slight increase in annual vehicle miles driven. The cloud of recession continued to influence people to remain cautious about increasing their amount of pleasure and business driving, a very different picture from the mid/late eighties when the year to year change for vehicle miles driven increased annually from 3 to 15 percent.

DO THE ROADS SEEM LESS CROWDED?

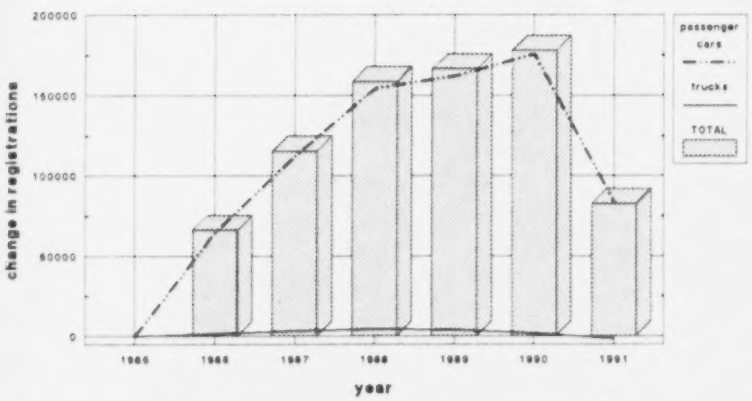


Figure 10.a: ANNUAL NET CHANGE IN MOTOR VEHICLE REGISTRATIONS FROM 1985 TO 1991

That same cloud rained heavily on the number of passenger cars and trucks registered during 1991. Passenger cars, which had experienced minor increases in two previous years, were off 91,946 registrations for a -10.3 percent change. Commercial registrations for trucks declined for the third year in a row, suffering a whopping -16.4 percent change for 1991. The decline in registrations can be traced to the lack of newer vehicles (model years 1991 and 1992) registered as of July 1992. There are 7 percent fewer 1991 models registered than 1990 models, and 39 percent fewer 1992 models registered (after three quarters of the model year concluded) than 1991 models. This trend of declining sales of new vehicles contributes to the woes of U.S. auto manufacturers. New Hampshire residents are holding on to their vehicles longer, or purchasing used models, upheld by the number of registrations for five and six year old vehicles, the largest grouping of registrations within the total tally. The overall number of driver licenses expanded by 1,109, though this number lagged the 5 percent jump of 1990. Fuel consumption increased during 1991, reflecting the slight increase in annual vehicle miles driven and the aging of registered vehicles.

While the actual number of air passenger departures from the Manchester and Lebanon municipal airports has more than doubled since 1987, passenger numbers by themselves do not fully describe air travel growth the last five years. The growth in passenger departures from year to year has steadily slowed from a 59.7 percent increase in 1987, to a 4.6 percent increase in 1991. This year's departure numbers for the first nine months are slightly ahead of the 1991 pace, but the growth rate is predictably slipping, and at year's end may only reflect an approximate three percent increase.

Portsmouth harbor traffic will be heightened by the proposed Port of New Hampshire expansion. The New Hampshire State Port Authority reports expansion is based on the need to convert from a single pier port to a three pier port. The proposed three piers will include a bulk handling facility, the existing general cargo pier, and a multipurpose pier for passenger ships. The growth of Portsmouth harbor will not only impact the economy of the area, but open doors for New Hampshire to world markets.[1]

The conversion of Pease Air Force Base to an air traffic hub for the region will incorporate the use of one of the longest runways in the country, as well as large hangar and parking apron space. Pease's geographic location should posture the facility to be a major air transportation/traffic participant in the growing economy of western and eastern Europe. The facility might also benefit from the North American Free Trade Agreement (NAFTA), and projected increases in trade. The potential of the Port of New Hampshire and Pease for creating jobs and enhancing the state's future economy is enormous.[2]

[1] "Port of New Hampshire", *Horizons, The Port of New Hampshire's International Trade Directory*. 1992-1993.
[2] "Pease and the Port: Partners in Progress", *Horizons, The Port of New Hampshire's International Trade Directory*. 1992-1993.

10. TRANSPORTATION AND TRAFFIC	1988	1989	1990	1991	Source
HIGHWAY TRAFFIC Annual totals (thousands of vehicles)					
Interstate highways, N.H.- Mass. State line (from traffic counters at Salem and Seabrook)	55,517	55,734	56,813	55,843	DT
Annual percent change	4.7%	0.4%	1.9%	-1.7%	DT
Rural traffic, annual percent change	6.2%	1.2%	-1.3%	-1.1%	DT
Annual vehicle miles (millions of miles)	9,507	9,821	9,843	9,934	DT
Annual percent change	3.7%	3.3%	0.2%	0.9%	
VEHICLE REGISTRATIONS					
Passenger cars (including handicapped, veterans, etc.)	871,084	879,009	892,679	800,733	DS
Annual percent change	5.1%	0.9%	1.6%	-10.3%	DS
Trucks	22,715	22,633	20,363	17,032	DS
Annual percent change	5.0%	-0.4%	-10.0%	-16.4%	DS
Persons per passenger car (population/# of cars)	1.25	1.26	1.18	1.30	DT
DRIVER LICENSES	797,296	806,959	847,060	848,169	DS
AIRCRAFT					
Passenger departures (individuals), commercial airlines					
Manchester and Lebanon airports	282,410	367,590	435,020	455,028	DT
Annual percent change	36.0%	30.2%	18.3%	4.6%	DT
MOTOR FUEL CONSUMPTION					
Millions of gallons of gasoline & diesel fuel	567.9	573.5	546.6	560.6	DT
BOAT REGISTRATIONS	79,398	83,372	82,030	77,442	DS
Annual percent change	11.1%	5.0%	-1.6%	-5.6%	DS
SEAPORT TRAFFIC, PORTSMOUTH HARBOR					
Total shipping (public & private facilities)					
Dead weight capacity tonnage (thousand tons) [a]	5,358.0	5,767.0	6,184.8	4,272.4	PA
Export & import total (thousand short tons) [b]	3,483.9	4,542.9	4,805.0	3,828.3	PA
Annual percent change	-0.5%	30.4%	5.8%	-20.3%	PA
New Hampshire Port Authority activity (tons)					
Cargo:					
Scrap metal & coiled steel	277,050	282,787	285,598	257,628	PA
In containers	61,410	67,880	67,444	-[c]	PA
POSTAL SERVICE					
First handling pieces - Manchester and Portsmouth [d] (millions) (FY ending 9-30)	672.9	724.5	783.8	810.7	PS

[a] *Excludes barge traffic not requiring pilots.*
[b] *Includes weight of ship and cargo.*
[c] *Container operation discontinued, moved to Portland, Maine.*
[d] *Mail of all classes and origins, first processed by the Manchester and Portsmouth post offices.*

11. FINANCE AND BANKING

New Hampshire's banking industry continues to reel from the heart-stopping effects of the current recession. Bank assets, bank deposits, and the number of banking institutions all took a nose-dive by the end of the 1991 calendar year.

Bank assets, which had dropped $1 billion between 1989 and 1990, doubled the loss to $2 billion between 1990 and 1991. Bank deposits, which had decreased by $612 million by the end of 1990, now had a decrease of $1,248 million. As with bank assets, this is double the loss of the previous year. State and Federally chartered banks suffered losses across the board, although the latter had double digit percentage losses while the former remained in the single digits. It is no surprise that bank deposits dropped drastically as many people's incomes dropped and interest rates offered at banks plummeted. With 1992 progressing in a very unstable fashion, one cannot picture that bank deposits will increase by any significant amount by the end of the year. A stabilization of bank deposits would actually be a good sign.

RECESSION CONTINUES TO DEPLETE STATE'S BANKS' ASSETS

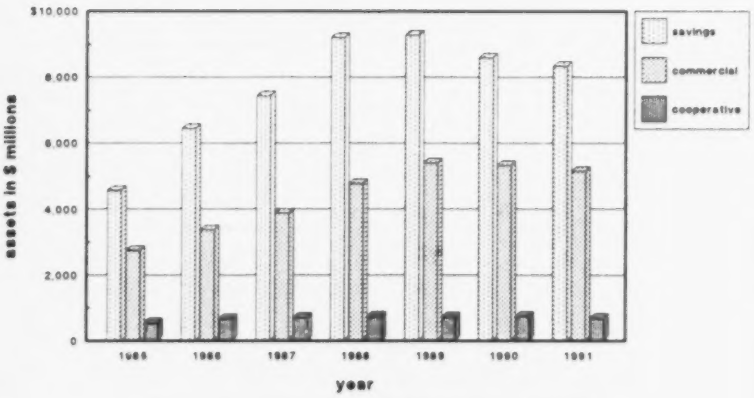


Figure 11.a: ASSETS OF STATE CHARTERED BANKS on December 31, 1985 - 1991

All of these losses in the banking industry has forced the number of banking institutions to drop by about one-third since 1988 when there were 105 institutions to only 73 institutions by the end of 1991. The current year, 1992, has seen more bank disruptions and consolidations causing a further decline in the number of institutions. The future does not bode well for this industry which was in its heyday just a few short years ago.

Non-performing bank loan totals declined to $204 million by the end of 1991 from $366 million at the close of the previous year. New Hampshire's ranking among the states in the nation went to 49th in 1991 when three years ago our ranking had been number one. One of the possible reasons for this shrinking in non-performing loans is the fact that a lot of bad loans were simply written off as losses during 1991, as the banks realized that they were not going to regain the money that had been borrowed. Banks are now being much more inquisitive about an individual's or a company's assets before making loans. This should reduce the amount of non-performing loans in the future.

The New Hampshire Industrial Development Authority (IDA), now referred to as the New Hampshire Business Finance Authority (BFA), issued bonds totalling $733 million during Fiscal Year 1991. Public Service Company of New Hampshire was the recipient of $500 million worth of these bonds for the purposes of its refinancing. The BFA was established in 1992 and assumed all of the powers of the IDA with additional powers aimed at helping small businesses. The BFA has the authority to guarantee $15 million a year in 1993, 1994, and 1995. During 1992 the BFA sought $25 million to finance itself and made commitments of $15 million of which the Executive Council has approved $3 million.

Equity capital increased in two of the three types of state chartered banks during the calendar year 1991. Commercial banks went from 5.72 percent equity capital to 5.90 percent and savings banks jumped from 3.75 percent in 1990 to 6.57 percent the following year. The only banking type to continue its decline was the cooperative banks, down from 9.00 percent to 8.85 percent.

The number of bankruptcy filings, during Fiscal Year 1991, continued its upward spiral in all of the New England states. The number of New Hampshire bankruptcies, which had increased by 78.9 percent by the end of Fiscal Year 1990, climbed even further in Fiscal Year 1991 and ended with an increase of 85.8 percent. This percentage increase was the highest among all of the New England States. The increase in FY91 was in large part due to personal bankruptcies and not business. The data for FY92 indicates that personal bankruptcies will again lead the way.

Business failures, which have once again increased in 1992, have been higher in New England than in the country as a

PERSONAL BANKRUPTCIES EXPLODE!

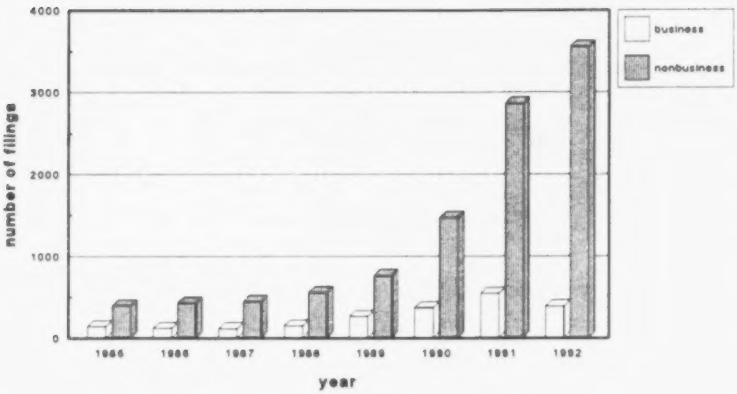


Figure 11.b: BUSINESS & NONBUSINESS BANKRUPTCIES FISCAL YEARS 1985-1992

whole. New Hampshire is the only New England state to have a decrease (down 2.8 percent) in the number of business failures in 1992 (through September 1992). Vermont's business failures have increased 65.3 percent in the first nine months of 1992 as opposed to the first nine months of 1991. Connecticut is next with an increase of 32.4 percent for the same time period.

According to the Federal Reserve Bank of Boston, the number of new business incorporations has been steadily declining during the years 1989, 1990, and 1991 for the nation, our region, and each of the New England states. When comparing June data for the past three years, new business incorporations in New Hampshire in June 1992 (204) were higher than June 1991 (167) but lower than June 1990 (222). A comparison of this type for the remaining states in our region produce a similar result for all except Connecticut where the number of new business incorporations is down by nearly 200. The United States had 58,718 new business incorporations in June 1992, 52,071 in June 1991, and 54,097 in June 1990.

Indications thus far for 1992 imply a stabilization for the banking system. According to the Federal Deposit Insurance Corporation, the nation's banks posted a third straight quarter of profits in the July-September 1992 period. Despite these profits the outlook for the banking industry remains uncertain as the level of bad loans remains high despite recent declines. However, real estate market values have remained somewhat constant and interest rates have remained low aiding the loan process. This and a hoped for increase in bank deposits should strengthen the banking system in New Hampshire.

11. FINANCE AND BANKING	1988	1989	1990	1991	Source
BANK ASSETS ($ millions)					
State & national chartered banks, savings, commercial, and cooperative banks:					
Total	$21,860.2	$21,223.4	$20,238.0	$18,297.3	BD
State Chartered Banks:					
Commercial Trusts	$4,774.2	$5,400.2	$5,332.3	$5,142.3	BD
Savings	$9,191.3	$9,270.8	$8,575.7	$8,339.1	BD
Cooperative	$732.5	$724.4	$733.0	$681.3	BD
Federally Chartered Banks:					
Commercial National Banks	$5,155.2	$3,842.4	$3,782.0	$3,024.6	BD/OCC
Savings and Savings-and-Loans	$2,007.0	$1,985.6	$1,815.0	$1,110.0	BD/OFS
Annual percent change:					
Total	15.7%	-2.9%	-4.6%	-9.6%	BD/DES
State Chartered Banks:					
Commercial Trusts	23.2%	13.1%	-1.3%	-3.6%	BD/DES
Savings	23.6%	0.9%	-7.5%	-2.8%	BD/DES
Cooperative	5.5%	-1.1%	1.2%	-7.1%	BD/DES
Federally Chartered Banks:					
Commercial National Banks	8.9%	-25.5%	-1.6%	-20.0%	BD/OCC
Savings and Savings-and-Loans	-7.1%	-1.1%	-8.6%	-38.8%	BD/OFS
BANK DEPOSITS All banks ($ millions)	$17,331	$17,300	$16,688	$15,440	BD
Annual percent change:					
Total	15.9%	-0.2%	-3.5%	-7.5%	
State Chartered Banks:					
Commercial Trusts	12.5%	14.4%	0.1%	-3.5%	BD
Savings	25.1%	6.4%	-3.0%	-0.7%	BD
Cooperative	5.3%	0.5%	1.5%	-4.9%	BD
Federally Chartered Banks:					
Commercial National Banks	15.4%	-25.6%	-9.2%	-17.5%	OCC
Savings and Savings-and-Loans	-5.3%	3.1%	-6.8%	-35.5%	OFS
EQUITY CAPITAL State chartered banks					
Percent of total assets (December 31)					
Commercial Trusts	6.82%	6.92%	5.72%	5.90%	BD
Savings	7.68%	6.11%	3.75%	6.57%	BD
Cooperative	8.48%	9.32%	9.00%	8.85%	BD
NUMBER OF BANKING INSTITUTIONS	105	101	93	73	BD
INDUSTRIAL FINANCING					
NH Industrial Development Authority Bond issues ($ millions) - fiscal year ending 6/30	$155.3	$62.5	$231.0	$732.9 [a]	BFA
NON-PERFORMING LOANS ($ millions)					
[FDIC commercial banks, December 31st totals]	$115.1	$270.5	$366.4	$204.2	FDIC
Rank as percent of total (net) loans/leases (incl. D.C.)	37	10	6	15	FDIC
Percent change from previous year	142.7%	135.0%	35.5%	-44.3%	FDIC
United States rank (incl. D.C.)	1	3	19	49	FDIC
BANKRUPTCY FILINGS, FY ending 6-30 year shown	705	1,027	1,837	3,414	BKR
Annual percent changes:					
New Hampshire	25.4%	45.7%	78.9%	85.8%	BKR
Connecticut	7.5%	24.5%	47.1%	58.5%	BKR
Maine	13.7%	13.2%	38.0%	50.4%	BKR
Massachusetts	12.4%	42.1%	78.8%	71.2%	BKR
Rhode Island	1.9%	14.7%	68.0%	76.6%	BKR
Vermont	4.4%	11.9%	57.3%	51.5%	BKR
New England	10.5%	30.0%	63.9%	67.8%	BKR
United States	5.9%	8.1%	12.8%	21.4%	BKR

[a] *Includes bond issues totalling more than $500 million for refinancing of Public Service Company of New Hampshire.*

12. GOVERNMENT REVENUES AND EXPENDITURES

All revenue and expenditure data cited in this segment are for the fiscal year ending June thirtieth of the year specified.

For 1991 New Hampshire collected General Revenue of $1,701.5 million, rising 8.8 percent from the previous year. Taxes collected rose 4.9 percent and money from the Federal Government rose a hefty 18.1 percent. This increase from the Federal Government "was due to $40 million in federal reimbursement related to medicaid enhancement and an increase of approximately $62 million in federal reimbursement related to various health and social services financial and medical grants."[1] Even though state tax receipts have risen, the proportion of General Revenue received from taxes has shown a downward trend, from 42.0 percent in 1988 to 36.7 percent in 1991. Over the three-year period of 1989 to 1991, revenue from the Federal Government rose from 23.6 percent to 25.9 percent of New Hampshire's General Revenue.

TRADITIONAL REVENUE SOURCES LAG, STATE TURNS TO MEDICAID TAX; MEANWHILE, ROOMS & MEALS SURPASSES BUSINESS PROFITS AS A TOP TAX REVENUE PRODUCER

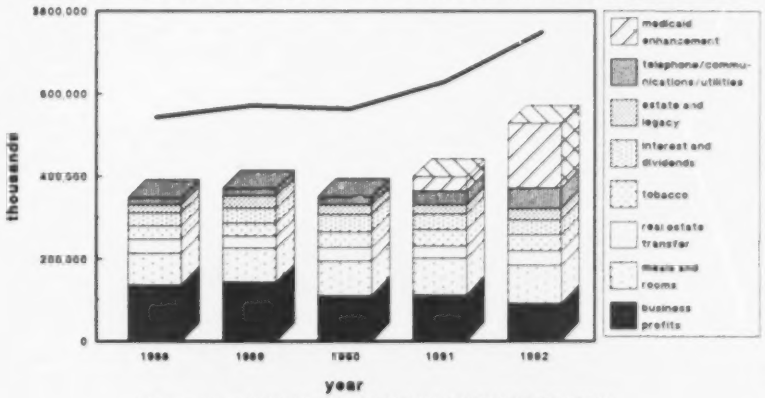


Figure 12.a: UNRESTRICTED NEW HAMPSHIRE GENERAL FUND REVENUE from SELECTED TAXES compared to TOTAL UNRESTRICTED GENERAL FUND REVENUE (line)

Combined state and local government general revenue per $1,000 of personal income rose to a preliminary estimate of $146.82 for 1991. This was after a decline for the previous two fiscal years. The 1990 revenue per $1,000 personal income estimate was $136.75 and earned New Hampshire the national ranking of 51 or lowest. This low ranking, achieved for 1988 and 1989 also, demonstrated New Hampshire's commitment to keeping taxes low, and its relatively high per capita income. The 1991 rankings are not available at this time, but should be lowest in the nation again.

Total tax revenue collected by state and local governments increased 12.7 percent from $1,877.5 million in 1990 to $2,115.7 million in 1991. This amounted to $90.66 of every $1,000 of personal income in 1991. Of this amount, $63.51 was accounted for by property tax collections. As a share of combined general revenue, property taxes increased from a 39.2 percent wedge in 1988 to 43.3 percent in 1991. New Hampshire has continued to rely on property taxes for revenue more than any other state in the country, at least through 1990.

State government general revenue from taxes continued to be the lowest nationwide. For every $1,000 of personal income in New Hampshire, state government revenues only claimed $73.51 in 1991, compared to the average $118.68 for all states. Over the past fiscal year, this measure rose 5.5 percent in New Hampshire after declining the previous two years.

State internal revenues reveal information about how New Hampshire's economy fared in recent years. Economic trends are reflected in the tax returns from major components of the state government's tax structure.

In fiscal year 1989, the economy was robust enough to generate Business Profits Tax revenues of $143.3 million, its second-best performance ever and about 70 percent higher than the next largest state revenue source, the Meals and Rooms Tax. However, the Real Estate Transfer Tax showed considerable weakness with a 14.1 percent drop in revenue production.

By 1990 the Business Profits Tax plummeted 22.5 percent for a loss of over $32 million from the previous year. The bottom-lines for businesses around the state were clearly worsening. Steps were taken in the 1990 Legislative Session to address the budget shortfall: the Meals and Rooms Tax was increased from 7 percent to 8 percent, the Real Estate Transfer Tax was raised, the Tobacco Tax was increased, and a new tax, the Communications Services Tax, was enacted.

The 1991 tax returns reflected a mixture of signals. The revenue sources targeted by the new law changes showed improvement. Revenues from the Meals and Rooms Tax expanded 7.2 percent. Combined returns from the Telephone Tax and Communications Service Tax more than doubled from the 1989 level. A new revenue source, the Medicaid Enhancement Tax, provided a much-needed injection of $35 million. On the down side, revenues from other sectors slipped. The decrease of 10.6 percent for the Real Estate Transfer Tax showed the continued problems in the property markets. A shortfall of 8.1 percent occurred in

the Interest and Dividends Tax receipts, reflecting the fall in interest rates.

Returns from fiscal year 1992 revealed further shifts in the contribution of the various tax revenue sources.

- The Business Profits Tax receipts dropped 18.2 percent to yield $91.6 million. This was no longer the highest producer of tax revenues, and indicated that this type of tax is susceptible to changes in the business cycle.

- The Meals and Rooms Tax produced a record $92.1 million, an increase of 2.5 percent over the previous year. Revenues exceeded those from the Business Profits Tax.

- The Real Estate Transfer Tax revenues increased by 21.5 percent to $35.1 million. The transfer of the Seabrook Nuclear Station by Public Service of New Hampshire in the spring of 1992 resulted in a one time payment of about $7.3 million into the coffers. A net loss of $1.1 million would have resulted without the injection from the utility.

- The Interest and Dividends Tax revenues ($34.6 million) declined again, the result of persistently low interest rates and dissaving by those in poor financial positions.

- The Tobacco Tax yielded over $39 million in fiscal years 1991 and 1992.

- The Communications Services Tax revenue, reported with the Telephone Tax revenue, boosted the combined total to $27.8 million by 1992.

- The Estate and Legacy Tax revenue, at $28.1 million, has yet to recover to the $30.4 million of 1989, but is showing definite improvement.

- Revenue from the controversial Nuclear Station Property Tax, enacted in the 1991 Legislative Session, was reported with the Utilities Tax. This more than doubled the 1991 level of the Utilities Tax revenues, yielding $23 million. The major provision of the new tax assesses a property charge against owners of the Seabrook Nuclear Power Plant. In-state owners were granted a credit on their Business Profits Tax to offset the increased charge. Out-of-state owners filed suit and the case was heard by a judge appointed by the U.S. Supreme Court. He ruled that "the tax violated federal regulations governing interstate commerce and the distribution of electricity"[2]. The state of New Hampshire is likely to file an appeal to the U.S. Supreme Court. The effect of an adverse ruling may go beyond loss of future revenue and require the reimbursement of taxes collected since enactment in fiscal 1992.

- The Medicaid Enhancement Tax was proven to be a genuine windfall. The 1992 revenues exceeded $156 million. This provided substantially more revenue than any other tax source. It is uncertain whether Federal matching money will continue to be available to reimburse the state for money sent back to hospitals for Medicaid purposes to offset the cost of this tax on gross patient services.

STATE GOVERNMENT EXPENDITURES

New Hampshire continued to have the lowest amount of general state expenditures per $1,000 of personal income. New Hampshire's expenditure rate of $75.55 in 1991 was only 63.3 percent of the national rate of $119.29. New Hampshire's expenditure relative to personal income for education was lowest in the nation in 1991. A similar ranking for public welfare expenditures in 1991 placed New Hampshire forty-eighth. For highways, New Hampshire merited forty-fifth place.

State government general expenditures increased 23 percent from 1988 to 1991 with the largest increase, 13.6 percent, from 1988 to 1989.

New Hampshire suffered declining property values again in 1991. State totals for equalized valuation of properties showed growth in calendar years 1988 and 1989 (11.0 percent and 5.4 percent respectively). Total equalized valuation fell by 4.4 percent in 1990 because of the downturn in the real estate markets. This became even more prominent in 1991, when equalized valuation skidded by 8.9 percent.

The property tax assessment ratio climbed from 53.5 percent in 1988 to 91.1 percent in 1991. Likewise the full value tax rate per $1,000 rose from $14.93 to $20.63 during that period. The equalized property valuation per capita fell from $57,129 to $44,593, a 22 percent drop.

[1] *State of New Hampshire Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 1991,* prepared by the Department of Administrative Services.
[2] Richard Mertens, "Budget dilemma is back", *Sunday Monitor*, January 3, 1993.

12. GOVERNMENT REVENUES AND EXPENDITURES	1988	1989	1990	1991	Source
STATE & LOCAL GOVERNMENT GENERAL REVENUE PER $1,000 PERSONAL INCOME (FY ending 6-30)					
Total general revenue	$139.80	$136.93	$136.75	$146.82[a]	CB
United States rank (incl. D.C.)	51	51	51	N.A.	CB
Total taxes	$86.19	$84.55	$83.54	$90.66[a]	CB
United States rank (incl. D.C.)	51	51	51	N.A.	CB
Property tax	$54.83	$55.51	$56.89	$63.51[a]	CB
United States rank (incl. D.C.)	3	3	4	N.A.	CB
Percent of total taxes	63.6%	65.7%	68.1%	70.0%[a]	CB
Percent of general revenue	39.2%	40.5%	41.6%	43.3%[a]	CB
United States rank (incl. D.C.)	1	1	1	N.A.	CB
STATE GOVERNMENT GENERAL REVENUE					
Total ($ millions) (FY ending 6-30)	$1,388.3	$1,492.2	$1,563.3	$1,701.5	CB
Taxes	$583.1	$613.2	$595.3	$624.6	CB
From Federal Government	$328.7	$352.8	$373.6	$441.2	CB
PER $1,000 PERSONAL INCOME:					
New Hampshire	$74.93	$70.75	$69.66	$73.51	CB
United States	$118.63	$119.40	$118.84	$118.68	CB
United States rank:					
Total general revenue	50	50	50	50	CB
From taxes	50	50	50	50	CB
From Federal Government	49	50	50	48	CB
UNRESTRICTED REVENUE TO STATE GENERAL FUND ($ thousands) (FY ending 6-30)					
Total unrestricted revenue	$542,850	$570,849	$562,172	$628,684	AS
Selected unrestricted general fund tax revenues					
Business profits	$136,773	$143,261	$110,981	$112,035	AS
Meals and rooms	$76,514	$81,809	$83,803	$89,803	AS
Real estate transfer	$34,568	$29,679	$32,319	$28,893	AS
Tobacco	$31,722	$31,466	$38,169	$39,540	AS
Interest and dividends	$30,659	$36,025	$40,731	$37,413	AS
Estate and legacy	$21,159	$30,354	$24,282	$23,398	AS
Telephone/Communication	$9,467	$9,510	$12,788	$22,231	AS
Utilities	$7,074	$8,383	$8,194	$10,114	AS
Medicaid enhancement	-	-	-	$35,030	AS
STATE GOVERNMENT GENERAL EXPENDITURES					
Total ($ millions) (FY ending 6-30)	$1,420.0	$1,613.0	$1,676.3	$1,748.8	CB
PER $1,000 PERSONAL INCOME:					
New Hampshire	$76.64	$76.48	$74.70	$75.55	CB
United States	$115.08	$116.16	$116.65	$119.29	CB
United States rank:					
Total general expenditures	50	50	50	50	CB
Education	50	50	50	50	CB
Public welfare	45	46	48	48	CB
Highways	36	39	43	45	CB
PROPERTY VALUATIONS, EQUALIZED					
State total equalized valuation ($ millions)	$73,390	$77,379	$73,966	$67,377	RA
Percent change	11.0%	5.4%	-4.4%	-8.9%	
Percent in Hillsborough & Rockingham Counties	53.2%	52.7%	53.0%	53.1%	RA
Property tax assessment ratio	53.5%	62.7%	75.4%	91.1%	RA
Full value tax rate per $1,000	$14.93	$15.67	$18.02	$20.63	RA
Equalized property valuation per capita (1983 dollars)	$57,129	$56,235	$50,585	$44,593	DES
Annual percent change	3.8%	-1.6%	-10.0%	-11.8%	DES
UNEMPLOYMENT INSURANCE TAX					
Average tax per worker in private covered employment (federal & state)	$112	$109	$108	$113	DES

[a] *Preliminary estimates.*

13. INCOME, WAGES, AND COST OF LIVING

INCREASE IN TRANSFER PAYMENTS YIELDS PERSONAL INCOME BOOST

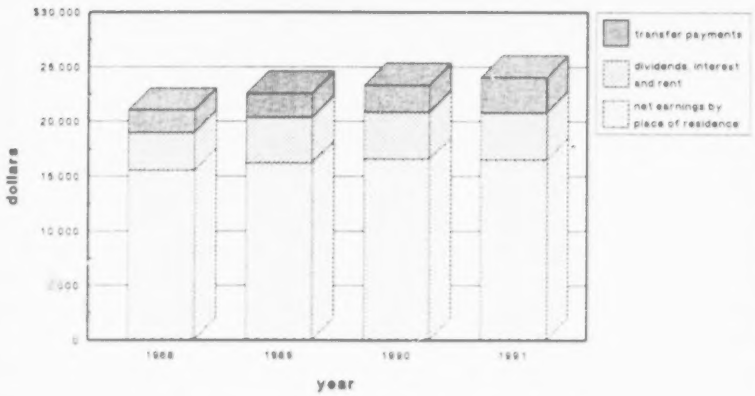


Figure 13.a: COMPONENTS of PERSONAL INCOME in NEW HAMPSHIRE 1988 through 1991

New Hampshire total personal income rose to $24,038 million in 1991. The growth from 1990 was only 3.0 percent, the smallest annual growth for the period covered by this report (1988-1991). The components clearly show the effects of the recession. There was a decline in net earnings in the "wages and salaries and proprietor's income" category as a portion of the total (from 73.9 percent in 1988 to 68.8 percent in 1991). "Dividends, interest, and rent" declined from an 18.5 percent share in 1989 to 17.7 percent in 1991; this reflects falling interest rates, problems in the real estate markets, the out-migration of population (leaving residential vacancies), and the bankruptcies of many businesses (leaving commercial vacancies). An increasing share of personal income shows in the "transfer payments" category, expanding from 9.9 percent of total personal income in 1988 to 13.5 percent in 1991. Transfer payments income includes Social Security payments, unemployment compensation, state welfare payments, and locally-funded General Assistance.

Relative to New England and the United States as a whole, New Hampshire maintained a greater proportion of its personal income as net earnings from the "wages and salaries and proprietor's income" category (in 1991, New England 66.4 percent and United States 66.8 percent). New Hampshire also had a lesser proportion as transfer payments (in 1991, New England 15.4 percent and United States 16.0 percent).

Per capita personal income slowed from the brisk growth of the mid-eighties to a 2.7 percent increase for 1990 and 3.6 percent for 1991. New Hampshire ranked sixth when all states were listed highest to lowest. When taxes were deducted, the per capita disposable personal income ranking showed New Hampshire moving into fourth place, lower only than New Jersey, Connecticut, and Massachusetts. One reason New Hampshire performs so well on these national income rankings is that the labor force participation rates are very high; in 1991, men had the highest rate in the country and New Hampshire women took second place. In addition to high labor force attachment, most persons wanting to work have been working.

Weighing in at $36,032, New Hampshire's 1991 median household income decreased 15.26 percent from 1990 (measured in 1991 dollars), a larger drop than any other New England state. In 1990 New Hampshire's household income level surpassed those of the other New England states; in 1991 it took second place to Connecticut. All New England states showed losses, measured in 1991 dollars, from 1989 to 1991 of at least $3,000 per household; New Hampshire (-$5,193) was right behind Vermont (-$5,219) with the greatest loss in the region. New Hampshire ranked seventh highest nationally in median household income in 1991. (A revised method of adjustment was used this year, the CPI-U-X1 rather than the CPI-U. The Bureau

REAL HOUSEHOLD INCOME CONTINUES TO FALL

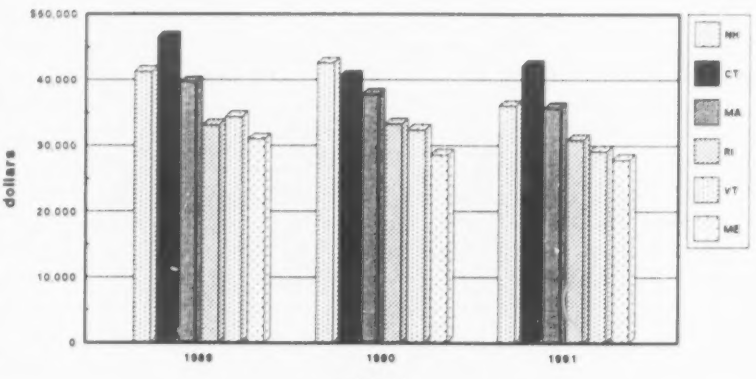


Figure 13.b: MEDIAN HOUSEHOLD INCOME NEW ENGLAND STATES COMPARED 1989 to 1991 in CPI-U-X1 CONSTANT DOLLARS

of Labor Statistics recommends use of the new series for data analyzed over time.)

Total wages in 1990 were the highest recorded, $11,222 million. The 1991 total slid 0.7 percent to $11,139, which was also slightly below the 1989 level. Data for total wages is collected from private and public employers' payroll reports submitted quarterly to New Hampshire Employment Security; this excludes self-employed and several other groups excluded from unemployment insurance coverage.

Average weekly wage for All Industries has shown a steady pattern of increases. The 1991 All Industries average weekly wage was $449.90, an increase of 4.1 percent from 1990. This average is total private covered wages divided by average total private covered employment; overtime paid and part-time work payments are all included with regular full-time pay. Highest average weekly wages occur traditionally in the manufacturing sector, which reached $587.42 in 1991. This sector is very likely to include overtime earnings so its 3.2 percent increase from 1990 to 1991 possibly reflected some increase in overtime and some increase in wage level. Construction, including mining, had a boom year in 1988 with an 8.8 percent increase in average weekly wages; by 1991 it eked out only a 0.7 percent increase. Wholesale and retail trade historically show the lowest average weekly wage, since this sector employs many people part-time, and many jobs are low-skill and do not pay much above minimum wage.

New Hampshire's average weekly wage level of $450 and the growth from 1990 to 1991 placed it third highest in New England in both categories, behind Connecticut ($588, 5.9 percent) and Massachusetts ($536, 5.3 percent). The other New England states are as follows: Rhode Island $428, 3.4 percent; Vermont $404, 3.9 percent; and Maine $389, 2.9 percent. One reason these indicators have not been affected as drastically by the recession as one might expect is that cutbacks typically occur to the less experienced and lower-paid workers.

Average weekly earnings for production workers, taken from the sample-based Current Employment Statistics program, show an increase of 5.3 percent from 1988 to 1989, when labor was in short supply. The weekly earnings increase slowed to 1.2 percent, only $5.16 for 1990 to 1991.

The Consumer Price Index for All Urban Consumers (CPI-U) is a nationwide survey of prices for a specific set of consumer goods survey-established as typical purchases by urban consumers. The change of 3.1 percent from December 1990 to December 1991 is very moderate. The year-to-year price index changes have remained low through 1992 (ranging from 2.6 percent to 3.2 percent change from twelve months earlier through November). Medical care was the major category that showed the most price increase since the base period (1982-84); it was indexed at 194.3 in November 1992. For "all items less medical care" the index was 139.[illegible] the same time frame.

The Boston-Lawrence-Salem, MA-NH CPI-U is a subset of the national survey and is only published every other month. For December 1991 it was indexed at 144.9 (up 4.6 percent over the year) as compared to the 137.9 national CPI (up 3.1 percent). In 1992 the index has moderated considerably: in November it was 150.2, up only 2.5 percent (comparable United States data 142.0, up 3.0 percent). These moderate price increases help consumers maintain their life-styles in tough economic times.

The Implicit Price Deflator (IPD) for Gross Domestic Product (GDP) is another national measure used to follow the changes in prices. In the base year, 1987, the prices of the goods and services included in the GDP were surveyed. In subsequent years, the prices of the new set of goods and services are surveyed and divided by the 1987 prices of the new set of goods and services to create the Implicit Price Deflator for that year. There is no attempt to maintain the same specific set of goods and services as in the CPI-U so the real-life practice of substituting lower-priced goods and services when prices rise is accounted for more precisely. The Implicit Price Deflator showed a rise of 12.6% from 1988 to 1991, while the Consumer Price Index recorded a steeper rise of 14.4%. Both of these price indexes are likely to exhibit only moderate increases through the forthcoming gradual recovery.

REAL AVERAGE WEEKLY WAGES PEAKED IN 1988

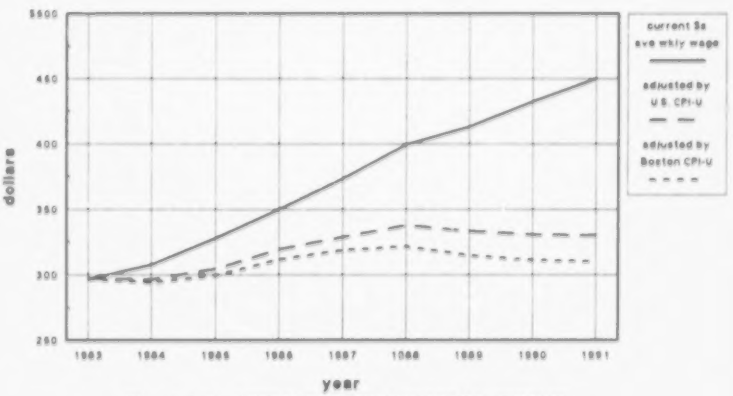


Figure 13.c: AVERAGE WEEKLY WAGES in PRIVATE COVERED EMPLOYMENT in CURRENT DOLLARS vs CONSTANT DOLLARS

13. INCOME, WAGES, AND COST OF LIVING	1988	1989	1990	1991	Source
TOTAL PERSONAL INCOME ($ millions)	$21,235	$22,578	$23,337	$24,038	BEA
Components:					
Net Earnings[a]	73.9%	71.6%	70.9%	68.8%	BEA
Dividends, interest, rent	16.2%	18.5%	18.4%	17.7%	BEA
Transfer payments	9.9%	9.9%	10.7%	13.5%	BEA
PER CAPITA PERSONAL INCOME	$19,612	$20,441	$20,998	$21,760	BEA
United States rank (including D.C.)	5	7	6	6	BEA
Annual percent change	6.7%	4.2%	2.7%	3.6%	BEA
PER CAPITA DISPOSABLE INCOME	$17,539	$18,263	$18,899	$19,738	BEA
MEDIAN HOUSEHOLD INCOME (FY) In 1991 CPI-U-X1 adjusted dollars					
New Hampshire	-	$41,225	$42,522	$36,032	CB
Connecticut	-	$46,485	$40,506	$42,154	CB
Maine	-	$30,998	$28,620	$27,868	CB
Massachusetts	-	$39,636	$37,772	$35,714	CB
Rhode Island	-	$33,088	$33,313	$30,836	CB
Vermont	-	$34,374	$32,407	$29,155	CB
From "Covered" Employment Data:					
TOTAL WAGES in employment covered by unemployment compensation					
Private & public employers	$10,760	$11,169	$11,222	$11,139	DES
Annual percent change	10.2%	3.8%	0.5%	-0.7%	DES
AVERAGE WEEKLY WAGES IN PRIVATE EMPLOYMENT covered by unemployment compensation					
All industries (annual average)	$399.42	$413.13	$432.37	$449.90	DES
United States rank (including D.C.)	17	20	17	16	BLS
Annual percent change	7.0%	3.4%	4.7%	4.1%	DES
Manufacturing	$500.51	$531.72	$569.02	$587.42	DES
Construction and mining	$464.53	$474.66	$484.04	$487.61	DES
Transportation, communications, utilities	$504.33	$523.01	$552.36	$581.68	DES
Trade, wholesale and retail	$295.38	$301.98	$310.64	$322.68	DES
Finance, insurance, and real estate	$476.14	$481.06	$498.15	$530.68	DES
Services and other	$360.15	$378.69	$399.78	$420.99	DES
From the Current Employment Survey:					
AVERAGE WEEKLY EARNINGS of Production Workers in Nonagricultural Employment	$405.78	$427.24	$441.86	$447.02	BLS
United States rank (including D.C.)	30	24	25	30	BLS
U.S. PRICE INDICES:					
CONSUMER PRICE INDEX, All Urban Consumers (CPI-U), Year End (December each year)	120.5	126.1	133.4	137.9	BLS
December to December percent change (U.S., 1982-4 = 100)	4.4%	4.6%	6.1%	3.1%	BLS
IMPLICIT PRICE DEFLATOR FOR GDP (1987=100)	103.9	108.4	112.9	117.0	BEA
Percent change	3.9%	4.3%	4.2%	3.6%	

[a] *Wages and salaries, other labor income, proprietor's income by place of work less personal social insurance adjusted for place of residence.*

14. SOCIAL ASSISTANCE

The long, drawn-out recession has forced some New Hampshire residents into situations that can only be described as "financial nightmares". An estimated 7.3 percent of the state's population in 1991 received money income (including transfer payments) below the poverty threshold. Nationwide, 14.2 percent of the population lives in poverty. The poverty threshold depends on family size and age: in 1991, the threshold for a family of four was $13,924; for one person under 65 years of age it was $7,086; for over 65 years old it was $6,532. This income data is self-reported on the Current Population Survey (CPS) conducted in March each year. The CPS requests income data for the previous year; relatively small sample sizes mean that there are relatively large standard errors and the data should be used with caution.

During the last major recession a decade ago, New Hampshire had 10.3 percent of the population below the poverty threshold in 1982 and 8.1 percent in 1983. It appears that this current recession was not as "punishing" as the one in the early 1980s. There were widespread accounts of many people leaving New Hampshire early in the current recession to look for jobs in regions still prospering.

In 1991 New Hampshire had the lowest percent of its population below the poverty threshold (7.3 percent) among all New England states. New Hampshire has relatively high wages (see Section 13), making it easier to avoid poverty while working and very high labor force participation rates (see Section 3). Connecticut came in second at 8.6 percent, after maintaining first place for the prior three years. Connecticut descended into recession later than the other New England states. Maine has had the highest percentage of population over the poverty threshold since 1987 relative to New England.

As more individuals and families fell below poverty thresholds, various welfare program caseloads increased. The "total welfare cases" data includes programs which provide money and/or benefits from the state-federal partnership, managed by the New Hampshire Division of Human Services. The programs include Aid To Families With Dependent Children (AFDC); Aid to the Needy Blind (ANB); Aid to the Permanently and Totally Disabled (APTD); Foster Care (FC); Old Age Assistance (OAA); and various medical assistance programs.

The number of AFDC cases grew most rapidly from 1988 to 1991, rising 162.7 percent. By comparison, the Age 65 or over program caseload increased 9.8 percent, and the Disabled or blind program caseload rose 14.7 percent.

"Persons on welfare" data showed an average of 46,994 persons received some payment or benefit from these programs in 1991. This excludes data from the new AFDC eligibility, labeled AFDC-UP. This new eligibility for two-parent households that meet AFDC income eligibility and asset requirements began in December 1990 in New Hampshire and averaged 1,960 persons in 1991. March 1992 was the high-water mark of the program thus far, serving 2,708 persons. While the monthly total of welfare recipients in 1992 (through November) has been consistently reported higher than corresponding months in 1991, the 1992 trend for AFDC-UP shows total clientele for September through November lower than in those months for 1991.

FOOD STAMP CASELOAD SURPASSES WELFARE CASELOAD BUT BOTH EASE IN THE THIRD QUARTER OF 1992

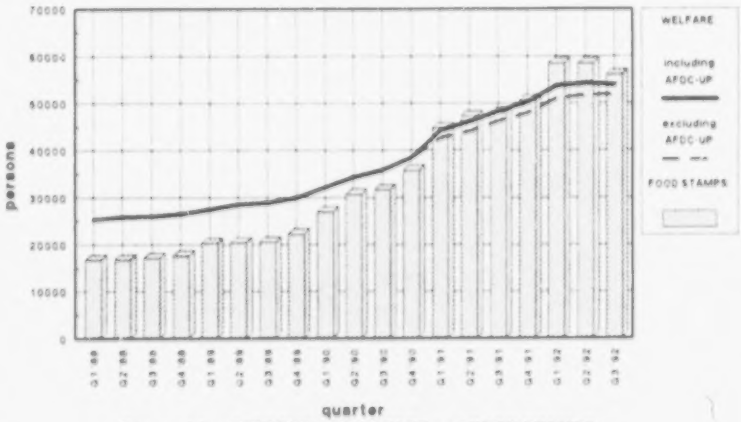


Figure 14.a: PERSONS on WELFARE and FOOD STAMPS QUARTERLY from Q1 1988 through Q3 1992

Food Stamps are often used in conjunction with AFDC, Unemployment Compensation, other programs, and part-time work. Because of this, food stamp numbers may better reflect the extent of the hardship of this recession. The number of persons per month receiving food stamps increased from 16,057 in January 1988 to 52,561 in December 1991, a rise of 227.3 percent.

In 1991 New Hampshire ranked third lowest nationwide for the number of AFDC recipients per thousand population (23.1 per thousand). This is more than double the 1988 number of 10.5, when New Hampshire held first place. However, relative to the other New England states, the 1991 New Hampshire AFDC incidence is only about half that of the next lowest state, Connecticut. Considering the percentage increase from 1988 to 1991, New Hampshire rose 120 percent compared with a range of 27 percent to 40 percent for the other five New England states. One possible explanation of this is

that the other states have a core welfare population that exceeds New Hampshire's; the 1988 proportion probably reflects the magnitude of this because unemployment rates were very low at that time for all New England. Also, New Hampshire's AFDC program carries a strong work requirement; the labor shortage was severe in 1988 and people that looked for jobs usually found them. When layoffs became more widespread, the newly-hired were laid off first and may have gone back on welfare programs. Therefore, New Hampshire's steep climb in recipients per thousand reflects its efficiency in good economic times.

Total Old-Age, Survivors, and Disability Insurance (Social Security) cases increased 2.6 percent between 1989 and 1990, and 3.0 percent between 1990 and 1991. The Disability Insurance program, which climbed 6.2 percent and 8.0 percent in the respective time frames, had the greatest influence on these increases. Of the Social Security programs, this program was the most responsive to the economic downturn. In "boom times" employers were more willing to accommodate disabled workers because labor was so scarce and many disabled held jobs. As with AFDC recipients, these people were often the last hired and the first to be laid off and found themselves with little recourse other than returning to the Disability Insurance program.

Monthly benefits for Social Security Recipients, calculated using median December data, showed a 1988-to-1991 increase of 17.1 percent for retired workers and an increase of 12.7 percent for disabled workers. The Consumer Price Index rose 14.4 percent in the same December 1988 to December 1991 time span.

14. SOCIAL ASSISTANCE	1988	1989	1990	1991	Source
POVERTY					
Persons below poverty percent of population					
Caution: relatively large standard errors					
New Hampshire	6.7%	7.7%	6.3%	7.3%	DES/CB
Connecticut	4.0%	2.9%	6.0%	8.6%	DES/CB
Maine	13.2%	10.4%	13.1%	14.1%	DES/CB
Massachusetts	9.8%	9.0%	10.7%	11.0%	DES/CB
Rhode Island	9.8%	6.7%	7.5%	10.4%	DES/CB
Vermont	8.1%	8.0%	10.9%	12.6%	DES/CB
United States	13.0%	12.8%	13.5%	14.2%	DES/CB
WELFARE (Annual averages)					
Total cases (same day each month)	17,786	19,114	22,274	27,367	DHS/DES
Aid to families with dependent children (AFDC)	5,261	6,262	8,845	13,820	DHS/DES
Age 65 or over	6,763	6,843	7,048	7,429	DHS/DES
Disabled or blind	4,582	4,787	4,972	5,254	DHS/DES
Persons on welfare (averages of 1 day/month)	25,840	28,646	35,106 [a]	46,994 [a]	DHS
Annual percent change	2.6%	10.9%	22.6%	33.9%	DHS
AFDC RECIPIENTS PER 1,000 POPULATION (July data)					
New Hampshire	10.5	12.1	16.0	23.1	SSA
United States rank (1=lowest)	1	1	1	3	SSA
Connecticut	32.6	32.3	38.4	45.6	SSA
United States rank	23	23	26	29	SSA
Maine	41.5	42.3	46.9	52.9	SSA
United States rank	38	38	38	39	SSA
Massachusetts	39.4	41.0	44.6	50.1	SSA
United States rank	35	35	36	35	SSA
Rhode Island	41.7	42.3	47.8	56.4	SSA
United States rank	39	38	41	41	SSA
Vermont	35.2	34.7	40.2	48.9	SSA
United States rank	25	26	32	33	SSA
SOCIAL SECURITY RECIPIENTS (December data)					
Total OASDI including spouses and children	155,400	158,020	162,120	166,940	SSA
Annual percent change	1.3%	1.7%	2.6%	3.0%	SSA
Retired (excluding spouses and children)	106,450	108,900	111,850	114,730	SSA
Survivors (excluding spouses and children)	17,770	17,940	18,110	18,550	SSA
Disability (excluding spouses and children)	10,180	10,080	10,710	11,560	SSA
Age 65 and over	116,910	119,500	122,420	125,970	SSA
Monthly OASDI benefit amount (median)					
Retired workers	$539.20	$569.90	$606.40	$631.40	SSA
Disabled workers	$516.90	$538.50	$567.30	$582.50	SSA

[a] *Excludes new (in 1990) category of persons in families with husbands present.*

15. HEALTH NEEDS

NEW HAMPSHIRE INPATIENT DAYS DECLINE MORE RAPIDLY THAN REGION AND NATION

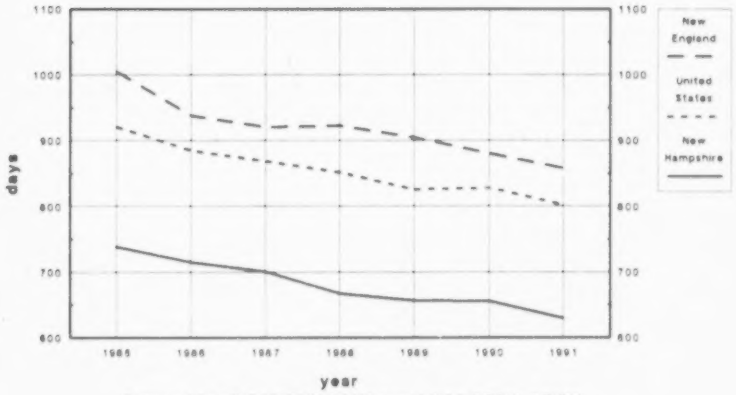


Figure 15.a: INPATIENT DAYS per 1,000 POPULATION
NEW HAMPSHIRE, NEW ENGLAND & the UNITED STATES
1985 to 1991

New Hampshire health services continued on track in a ten year shift of emphasis from hospital inpatient to outpatient services. The process has been assisted by advances in medical technology and managed preventive care. The result of this shift can be measured by the decrease in admissions and inpatient days per 1,000 population. The 1991 total number of inpatient days in the State diminished by over 32,000. New Hampshire placed ahead of the rest of New England and the U.S. with fewer impatient days per 1,000 population, again staying on a ten year trend in this category. In another measurement the state's hospitals have the fewest days per average length of stay (6.1), rating lower than the rest of New England and the U.S. Costs continue to rise for medical equipment, labor, and liability insurance. Despite this, hospitals in New Hampshire have dealt with cost controls which has resulted in maintaining the lowest expense per adjusted admission ($4,979), as compared with New England and the U.S. dollar figures of $6,072 and $5,475, respectively.

LENGTH OF AVERAGE HOSPITAL STAY INCREASES IN NEW HAMPSHIRE WHILE IT DECLINES IN U.S. & NEW ENGLAND

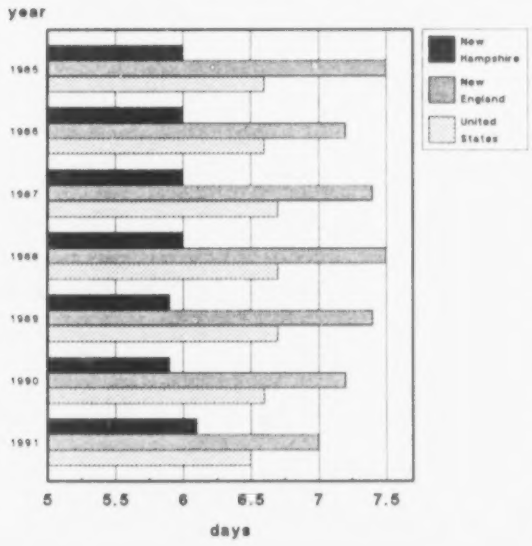


Figure 15.b: LENGTH of AVERAGE HOSPITAL STAY
GENERAL HOSPITALS, in DAYS - 1985 to 1991
NEW HAMPSHIRE, NEW ENGLAND & the UNITED STATES

Employers covered by workers' compensation insurance increased substantially (over 6,600) from fiscal year 1990 to fiscal year 1991. The Department of Labor credits a good portion of this increase to enhanced computer technology detecting additional violations of coverage requirements. The high unemployment rate during 1991 impacted the total number of nonagricultural employees covered by workers' compensation insurance, 497,600 as opposed to 522,075 in 1990. Likewise, the number of compensable injuries decreased to 10,865, with an incidence rate of 2.2 injuries per one hundred workers, as reported by the previous edition of this report. The number of permanent impairments declined to 646 in FY 1991, creating an incidence rate of 5.95 permanent impairments per one hundred compensable disabilities. The fiscal year impairment awards averaged $8,254, the total impairment cost amounting to over $5.3 million [1].

The Medicaid Program provides medical assistance to low income individuals and families. Currently it is the largest joint Federal and State program providing health and medical services to the poor. In New Hampshire, New England, and the U.S., the average monies paid per recipient for fiscal year 1991 returned to 1989 levels. The New Hampshire 1990 average payment amount of $5,423 was based on $243 million spread over 44,819 recipients.

The Medicare Program went into effect July 1, 1966, providing hospital insurance and supplementary medical insurance for those persons who are eligible for retirement benefits and have attained age 65. The number of persons enrolled for hospital insurance in New Hampshire has risen from 77 thousand in 1966, to 128 thousand in 1991. Since 1985 the number of covered enrollees has increased steadily by 2-3 thousand per year, producing an approximate 2 percent change.

The number of disabled beneficiaries has been 10-11 thousand since 1985, increasing to 12 thousand in 1991. The average covered charge per day in short-stay hospitals increased to $1,186, an overall 56 percent increase since 1988. The covered charges for skilled nursing facilities shot up to $246 per covered day, a 37 percent change during the four year span. Both categories have increased at a higher percentage rate than 1988 to 1991 U.S. and New England figures.

HOSPITAL EXPENSES CONTINUE ON STEADY INCLINE

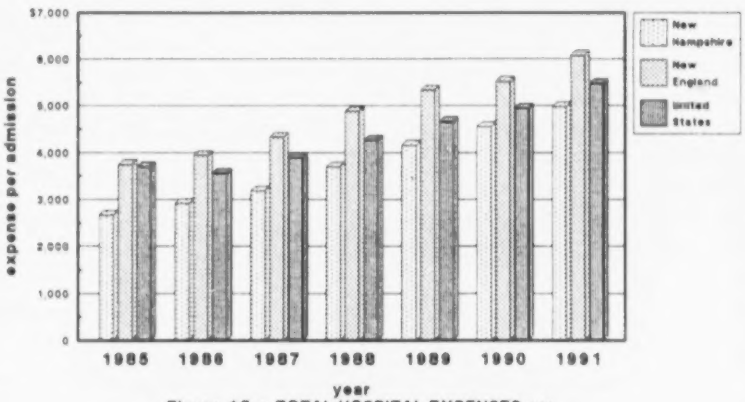


Figure 15.c: TOTAL HOSPITAL EXPENSES per ADJUSTED HOSPITAL ADMISSION - 1985 to 1991 NEW HAMPSHIRE, NEW ENGLAND & the UNITED STATES

Skyrocketing costs of medical and hospital care are not the only health related issues that plague our state and nation. During the recession loss of jobs has meant the probability of not having continued health insurance coverage. "In New Hampshire the population without health insurance could be as high as 88,000." This translates to almost ten percent of the population, but in times of recession, many more live with the fear of losing a job and the health benefits that go with it. This has been a matter of great public concern for some time, emphasized as a major campaign issue during the recent presidential election. A national plan for hospital and medical insurance will undoubtedly place high on the "immediate agenda" of the incoming administration[2].

[1] *New Hampshire Department of Labor; 49th Biennial Report*. State of New Hampshire, 1989-1991, Appendix IV.
[2] Holly Babin. "Healing the System," *BNH*, October, 1992.

15. HEALTH NEEDS	1988	1989	1990	1991	Source
HOSPITAL INSURANCE					
Medicare:					
Aged	121,000	123,000	125,000	128,000	SSA
Disabled	11,000	11,000	11,000	12,000	SSA
Average covered charge per day of care					
Short-stay hospitals:					
New Hampshire	$758	$904	$1,021	$1,186	SSA
New England	$749	$860	$988	$1,142	SSA
United States	$871	$1,003	$1,110	$1,285	SSA
Skilled nursing facilities:					
New Hampshire	$180	$178	$212	$246	SSA
New England	$147	$140	$164	$189	SSA
United States	$171	$156	$184	$228	SSA
Medicaid:					
Average payments per recipient					
New Hampshire	-	$5,079	$5,423	$5,079	SSA
New England	-	$3,982	$4,355	$3,981	SSA
United States	-	$2,318	$2,568	$2,318	SSA
WORKERS COMPENSATION, PAYMENTS					
Reported injuries & compensable disabilities					
Injuries per 100 in employment (FY)	13.7	12.6	11.7	11.1	LD
Compensable injuries per 100 in employment (FY)	2.8	2.4	2.3	2.2	LD
Benefits paid by insurance companies and self insurers					
(Calendar year, $ millions)	$144.6	$160.3	$172.4	$206.1	LD
Annual percent change	13.4%	10.9%	7.5%	19.5%	
HEALTH SERVICES - General Hospitals, acute care only (excludes nursing home beds)					
Total number of inpatient days	732,554	727,144	727,450	695,392	HA
Inpatient days/1,000 population:					
New Hampshire	667.8	656.9	656.0	629.3	HA
New England	922.7	905.0	880.7	858.2	HA
United States	851.5	826.1	828.7	801.8	HA
Average length of stay (in days):					
New Hampshire	6.0	5.9	5.9	6.1	HA
New England	7.5	7.4	7.2	7.0	HA
United States	6.7	6.7	6.6	6.5	HA
TOTAL EXPENSE/ADJUSTED HOSPITAL ADMISSION					
New Hampshire	$3,688	$4,152	$4,544	$4,979	HA
Percent change	16.1%	12.6%	9.4%	9.6%	
New England	$4,883	$5,337	$5,514	$6,072	HA
Percent change	12.8%	9.3%	3.3%	10.1%	
United States	$4,254	$4,658	$4,947	$5,475	HA
Percent change	9.4%	9.5%	6.2%	10.7%	
UNCOLLECTIBLE HOSPITAL CHARGES ($ millions)	$163.5	$222.0	$318.7	N.A.	HA

16. CRIME/ACCIDENTS

New Hampshire continues to record the lowest amount of indexed crime in New England. Indexed crime is defined as selected offenses used to gauge fluctuations in the overall volume and rate of crime reported to law enforcement. The offenses included are the violent crimes of murder and nonnegligent manslaughter, forcible rape, robbery, and aggravated assault and the property crimes of burglary, larceny-theft, motor vehicle theft and arson. There were 3,448 indexed crimes for every 100,000 people in the state during 1991. Violent crimes during the same period declined by 10 percent from an index of 131.5 in 1990 to 119.3 in 1991. Vermont continues to be the only other New England state to experience a lower amount of violent crime than New Hampshire. Most of the change in New Hampshire's violent crime was attributable to a reduction in aggravated assault cases, dropping from 750 in 1990 to 538 in 1991. However, the number of murders was up from 21 in 1990 to 40 in 1991. As in previous years over 60 percent of the crime is being perpetrated where over 50 percent of the population lives, in the metropolitan areas.

During 1991 the percentage increase in the number of sentenced prisoners in the United States was highest in the Northeastern states at 7.5 percent. This increase was led by New Hampshire at roughly 15 percent followed closely by Massachusetts at 13.9 percent. From 1985 to 1991 New Hampshire's sentenced prison population grew by 124.5 percent, second to Colorado at 129.9 percent. Despite these increases, New Hampshire still maintains a rather low prisoner population relative to the size of the total population. For every 100,000 people in the United States population there are 310 people incarcerated. In New Hampshire for each 100,000 people only 132 people are in prison. This ranked sixth best in the country in 1991 and third best in the region behind Vermont and Maine.

Traffic accidents were down 30.7 percent from 39,267 in 1990 to 27,195 in 1991. Contributing to this drop in the number of accidents reported was the change in the law in 1991 that raised the minimum damage required to be reported from $500 to $1000 worth of damage. Also, total injuries reported decreased by 32.4 percent from 14,246 in 1990 to 9,630 in 1991. Some factors that might have contributed to the decline in injuries recorded are: 1) car and truck registration is down; 2) greater public intolerance of drunk driving; 3) better weather conditions; 4) the recession keeping people closer to home and; 5) more safety features in newer vehicles. The number of fatal motor vehicle accidents remained relatively the same from the year before, 140 in 1990 versus 136 in 1991, but the percentage of those accidents that involved alcohol rose from 36 percent in 1990 to 38 percent in 1991.

PRISON POPULATION GROWS STEADLY

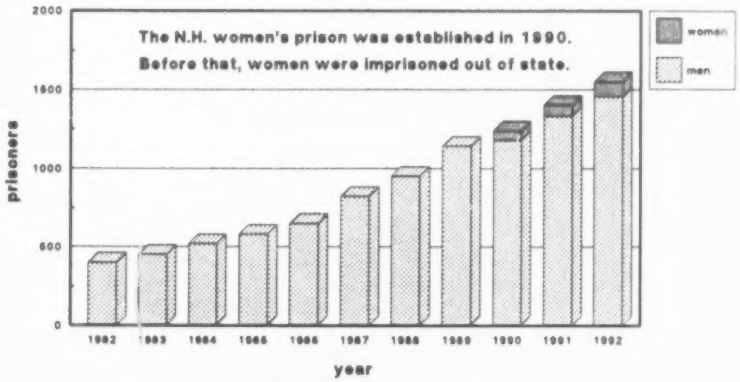


Figure 16.a: JUNE 30 STATE PRISON POPULATION in NEW HAMPSHIRE 1982 to 1992

Despite this slight increase, however, New Hampshire law enforcement officials and drunk-driving watchdog groups hope statistics showing a dramatic decline in drunk driver arrests mean the public has learned that driving after drinking is irresponsible behavior.[1] DWI (driving while intoxicated) arrests from January 1992 to the present are down sharply -- 35 percent nationally and 32 percent in New Hampshire. Funds from the U.S. Department of Transportation channelled through the New Hampshire Highway Safety Agency has helped many local police departments to place more attention on drunk drivers and to provide education programs relating the problems of drunk driving. These programs, along with peer groups, news reports, and tougher legislation have contributed to shifts in public attitudes toward drinking and driving.

[1] Nancy Meersman, "Drunk-Driving Arrests Drop", *Union Leader*, December 28, 1992.

16. CRIME/ACCIDENTS	1988	1989	1990	1991	Source
Total crime offenses	36,573	39,810	40,435	38,098	FBI
Annual percent change	2.6%	8.9%	1.6%	-5.8%	FBI
Violent crime offenses	1,622	1,865	1,459	1,318	FBI
Annual percent increase	2.6%	15.0%	-21.8%	-9.7%	FBI
Property crime offenses	34,951	37,945	38,976	36,780	FBI
Annual percent change	2.6%	8.6%	2.7%	-5.6%	FBI
TOTAL CRIME INDEX (Rate per 100,000 pop.)					
New Hampshire	3,333.9	3,596.2	3,645.2	3,447.8	FBI
Connecticut	5,097.6	5,270.0	5,386.7	5,364.1	FBI
Maine	3,577.7	3,583.6	3,697.8	3,767.7	FBI
Massachusetts	4,990.9	5,136.0	5,297.9	5,322.3	FBI
Rhode Island	5,204.4	5,224.8	5,352.7	5,039.3	FBI
Vermont	4,240.5	4,088.5	4,340.9	3,955.2	FBI
United States	5,664.2	5,741.0	5,820.3	5,897.8	FBI
VIOLENT CRIME INDEX (Rate per 100,000 pop.)					
New Hampshire	147.9	168.5	131.5	119.3	FBI
Connecticut	455.4	511.8	553.7	539.7	FBI
Maine	157.4	137.2	143.2	132.1	FBI
Massachusetts	619.6	675.0	736.3	736.1	FBI
Rhode Island	396.7	378.0	431.9	462.0	FBI
Vermont	142.3	132.8	127.2	116.8	FBI
United States	637.2	663.1	731.8	758.1	FBI
CRIMINAL ARRESTS					
Total	42,930	45,539	45,005	39,487	DS
Percent change from previous year:	-10.2%	6.1%	-1.2%	-12.3%	DS
Adult	-7.9%	8.8%	-1.0%	-12.4%	DS
Juvenile	-20.0%	-7.4%	-2.1%	-11.6%	DS
Drug Offenses, Total	2,828	2,925	2,683	1,966	DS
Percent change from previous year:	5.4%	3.4%	-23.6%	-12.0%	DS
Adult	6.4%	4.1%	-39.5%	-11.9%	DS
Juvenile	-3.8%	-3.6%	-22.2%	-13.6%	DS
DWI, Total	9,045	9,225	8,267	7,031	DS
Percent change from previous year:	-10.9%	2.0%	-10.4%	-15.0%	DS
Adult	-11.0%	2.8%	-10.4%	-14.7%	DS
Juvenile	-8.5%	-40.5%	-2.8%	-32.1%	DS
STATE PRISON POPULATION (June 30th)					
Number of prisoners in State prison (June 30th)	874	1,080	1,240	1,437	DC
Incarceration rate (prisoners/100,000 population.)	94.1	105.5	120.9	130.0	DC
U.S. incarceration rate (federal and state jurisdiction)	244	274	293	310	DJ
Probation & parole caseload (June 30th)	4,904	4,559	4,564	4,782	DC
TRAFFIC ACCIDENTS					
Total accidents reported	46,733	44,713	39,267	27,195[a]	DS
Annual percent change	4.6%	-4.3%	-12.2%	-30.7%	DS
Total injuries reported	17,708	17,096	14,246	9,630	DS
Annual percent change	48.7%	-3.5%	-16.7%	-32.4%	
Fatal motor vehicle accidents	153	168	140	136	DS
Number of persons killed	168	190	158	145	DS
Percent alcohol involved	35%	38%	36%	38%	DS
Fatalities per 100 mill vehicle miles	1.77	1.93	1.42	1.46	DT
INSURANCE, AUTO LOSS CLAIMS					
Total claims ($ millions)	$337.0	$343.5	$331.4	$304.1	ID

[a] *Legislation effective in 1991 raised the minimum accident damage required to be reported from $500 to $1,000*

17. ENVIRONMENT

While companies are required by law to report releases of toxic chemicals, firm figures on how much is actually produced is not readily available. New Hampshire is estimated to have one of the lowest toxic production levels in the country. Each major chemical that is measured has health risks, and air quality standards particular to that chemical.

Lead . . .

. . . causes brain damage, retardation, liver disease and interferes with the reproduction and cardiovascular systems. The sources of lead pollution are motor-vehicle exhaust, lead smelters, and battery manufacturing plants.

None of the six lead monitoring sites (Keene, Manchester, Nashua, Hollis, Concord, and Portsmouth) exceeded the standard for 1991 (1.50 $\mu g/m^3$ [microgram per cubic meter]). In fact, the highest quarterly mean measured in the state was 0.02 $\mu g/m^3$ (or less than 2 percent of the standard) at Concord, Keene, Manchester and Portsmouth sites. The two other sites in Hollis and Nashua had a maximum quarterly mean of 0.01 $\mu g/m3$ (the minimum detection limit).

Carbon monoxide . . .

. . . acts in the bloodstream to deprive the heart and brain of oxygen. It impairs the ability of the blood to carry oxygen and affects the cardiovascular, nervous, and pulmonary system. Moderate concentrations significantly reduce brain functions and can cause angina. Carbon monoxide is caused by the incomplete combustion of carbon, which occurs in motor-vehicles, and some industrial processes.

No exceedences were recorded at either of the two carbon monoxide monitoring sites (Manchester and Nashua). The highest level recorded at the Nashua site was 8.9 parts per million (ppm) or 99 percent of the standard. The Manchester site recorded a maximum 8-hour concentration of 6.5 ppm or 72 percent of the standard. Neither location exceeded the 1-hour standard of 35 ppm. The maximums for the 1-hour time period were 12.5 ppm for Manchester and 20.8 ppm for Nashua. The five year trend does not reveal any apparent trend for Nashua, while an apparent upward trend for Manchester is evident.

Ozone . . .

. . . in high levels of concentration may cause respiratory tract problems such as difficult breathing and reduced lung function. Ozone also causes asthma, eye irritation, nasal congestion, reduced resistance to infection and premature aging of lung tissue. Ozone is formed in the atmosphere by the reaction of nitrogen oxides, and hydrocarbons in the presence of sunlight.

Three of New Hampshire's seven ozone sites exceeded the standard in 1991. These three were the Rye, Portsmouth, and Nashua sites. The Rye monitor recorded the highest 1-hour value at 135 percent of the standard (0.12 ppm). The Portsmouth monitor recorded a 1-hour value at 115 percent of the standard and the Nashua monitor recorded a 1-hour sample at 108 percent of the standard. Maximums at other sites (Claremont, Manchester, Mt. Washington, and Keene) ranged from 81 percent to 96 percent of the standard. Rye has exceeded the trend for the past five years.

Sulfur dioxide . . .

. . . causes respiratory tract problems, eye irritation, and permanent harm to lung tissues. Sulfur dioxide combines with water to form acid aerosols and sulfuric acid mist which falls to earth as acid rain, causing plant and structural damage and acidifying bodies of water. Sources of sulfur dioxide include heat and power generation facilities, combustion processes that use oil or coal containing sulfur, sulfuric acid plants, petroleum refineries and smelters of sulfur-containing ore.

Sulfur dioxide standards were not exceeded at any of the twelve monitoring sites (Keene, three in Berlin, Northumberland, Manchester, two in Nashua, Bow, Pembroke, Portsmouth, and Claremont) in New Hampshire. For the second year in a row, the Pembroke site recorded the highest concentrations for all three averaging times of interest: 43 percent of 24 hour standard; 40 percent of 3-hour standard, and 29 percent of annual standard. No five year trends seem to be developing for the monitoring stations chosen.

Nitrogen oxides . . .

. . . health effects include respiratory illness, lung damage, and increased airway resistance. Respiratory infections become more common when exposed to nitrogen dioxides. Nitrogen dioxides can cause edema in concentrations of 10 parts per million (ppm) for 8 hours, while concentrations of 20-30 ppm for 8 hours can produce fatal lung damage. The sources of nitrogen dioxide are: motor vehicle exhaust, heat and power generation, nitric acid, explosives, fertilizer plants, and combustion of fuels.

The two nitrogen dioxide monitoring sites (Manchester and Portsmouth) reported arithmetic means of 32 percent and 30 percent of the standard (0.05 parts per million) respectively in 1991. The five year trend indicates that levels in Manchester are fluctuating from year to year with no real trends evident.

Suspended particulate matter . . .

. . . causes eye and throat irritation, bronchitis, lung damage, and impaired visibility. It soils materials, causes corrosion, and acts as a carrier of toxics adsorbed or absorbed in it. Motor vehicle exhaust, industrial processes,

17. ENVIRONMENT	1988	1989	1990	1991	Source
WATER QUALITY					
Lakes and ponds:					
Total acres assessed [a]	N.A.	154,993	N.A.	153,581	WSP
Fishable:					
Support aquatic life	N.A.	154,523	N.A.	153,011	WSP
Do not support designated use	N.A.	470	N.A.	570	WSP
Swimmable:					
Support primary contact	N.A.	151,735	N.A.	149,509	WSP
Do not support designated use	N.A.	3,728	N.A.	4,072	WSP
Rivers and streams:					
Total miles	N.A.	14,544	N.A.	10,841	WSP
Fishable:					
Support aquatic life	N.A.	14,494	N.A.	10,768	WSP
Partially support designated use	N.A.	-	N.A.	0	
Do not support designated use	N.A.	50	N.A.	73	WSP
Swimmable:					
Support primary contact	N.A.	14,055	N.A.	10,694	WSP
Partially support designated use	N.A.	339	N.A.	- [b]	WSP
Do not support designated use	N.A.	150	N.A.	147	WSP
SOLID WASTE [c] (Thousand tons per year)	1,004.0	N.A.	1,016.5	N.A.	WMD
AIR QUALITY					
Ozone levels (ozone season April 1 to October 31):					
Average four highest maximum hourly values in parts per million, selected monitoring sites					
Manchester	0.134	0.093	0.092	0.098	EPA
Nashua	0.128	0.098	0.104	0.115	EPA
Portsmouth	0.112	0.107	0.106	0.125	EPA
Rye	0.164	0.138	0.119	0.148	EPA
Days above federal standard (0.125 ppm)	23.1	2.0	2.0	6.2	EPA
Carbon Monoxide:					
Second maximum eight-hour concentration [Federal standard 9 PPM (parts per million)]					
Manchester [d]	-	4.8	5.3	6.4	EPA
Nashua	6.6	4.9	8.8	7.3	EPA

[a] *Total acres (lakes) and miles (rivers and streams) went down due to new survey by U.S. Environmental Protection Agency.*
[b] *Change in bacterial standards results in change of designations. Now are either fully swimmable or do not support swimming.*
[c] *Based on projections from national averages applied to population estimates and local demographic information.*
[d] *Bridge Street site - monitoring site moved from Elm Street in mid 1989 where readings had been much higher.*

incinerators, heat and power generation, steel mills, smelters, demolition, wood burning stoves, fugitive dust, and plants are sources of suspended particulate matter.

Of the sixteen monitoring sites in New Hampshire, none exceeded the annual (50 $\mu g/m^3$) or 24 hour (150 $\mu g/m^3$) standards in 1991. As in past years, the highest New Hampshire particulate matter values were recorded in the Berlin area. The Lancaster Street site in Berlin recorded the highest 24-hour value in the state at 106 $\mu g/m^3$ and an annual arithmetic mean of 40 $\mu g/m^3$. Other locations in the Berlin area recorded 24-hour concentrations ranging from 30 percent to 36 percent of the standard and annual means of from 34 percent to 54 percent of the standard. Nashua recorded the next highest particulate matter concentrations in the state with levels at 41 percent of the 24-hour and 42 percent of the annual standards. The lowest levels were measured at a site atop Mt. Sunapee with a particulate level averaging 11 $\mu g/m3$ or 22 percent of the annual standard. The five year trend for both 24-hour and annual mean values show slight increasing trends for Berlin and slight decreasing trends for Manchester and Portsmouth.

DIRECTORY OF SOURCES

Abbreviation	Provider
AS	New Hampshire Department of Administrative Services
AR	New Hampshire Association and the National Association of Realtors
BD	New Hampshire Banking Department
BEA	Bureau of Economic Analysis, United States Department of Commerce
BFA	New Hampshire Business Finance Authority
BKR	Administrative Office of United States Courts
BLS	Bureau of Labor Statistics, United States Department of Labor
CB	Bureau of Census, United States Department of Commerce
DC	New Hampshire Department of Corrections
DD	United States Department of Defense
DE	New Hampshire Department of Education
DES	New Hampshire Department of Employment Security
DHS	Division of Human Services, New Hampshire Department of Health and Human Services
DJ	United States Department of Justice
DRED	New Hampshire Department of Resources and Economic Development
DS	New Hampshire Department of Safety
DT	New Hampshire Department of Transportation
EC	Electric Council of New England
EIA	Energy Information Administration, United States Department of Energy
EPA	United States Environmental Protection Agency
F&G	New Hampshire Department of Fish and Game
FBI	Federal Bureau of Investigation
FDIC	Federal Deposit Insurance Corporation
FR	Federal Reserve Bank of Boston
FWD	F.W. Dodge, McGraw Hill Publishing Company

DIRECTORY OF SOURCES (continued)

Abbreviation	Provider
HA	New Hampshire Hospital Association
HFA	New Hampshire Housing Finance Authority
ID	New Hampshire Insurance Department
LC	New Hampshire Liquor Commission
LD	New Hampshire Labor Department
OCC	Federal Office of Comptroller of Currency
OFS	Federal Office of First Supervision
OID	Office of Industrial Development, New Hampshire Department of Resources and Economic Development
OSP	New Hampshire Office of State Planning
PA	New Hampshire Port Authority
PEC	New Hampshire Postsecondary Education Commission
PM	New Hampshire Pari-Mutual Commission
PS	United States Postal Service, Manchester Field Division
PSNH	Public Service Company of New Hampshire
PSV	New Hampshire Department of Postsecondary Vocational-Technical Education
RA	New Hampshire Department of Revenue Administration
SMM	Sales and Marketing Management
SSA	United States Social Security Administration
SST	New Hampshire Office of Secretary of State
UED	United States Department of Education
UIS	United States Department of Labor, Unemployment Insurance Service
VS	Bureau of Vital Records/Health Statistics, Division of Public Health Services, New Hampshire Department of Health and Human Services
WMD	Waste Management Division, New Hampshire Department of Environmental Services
WSP	Water Supply and Pollution Control Division, New Hampshire Department of Environmental Services

GLOSSARY AND INDEX

	SECTION
AID TO FAMILIES WITH DEPENDENT CHILDREN (AFDC) - A federal/state program providing cash benefits to needy families with dependent children through the New Hampshire Division of Human Services. AFDC-UP (UP for "unemployed parent") is a program that became available in the State of New Hampshire in December 1990 that allows both parents to be present in the home.	14.
AIR QUALITY - Information on the following pollutants: lead, ozone, nitrogen oxide, carbon monoxide, sulfur dioxide, and suspended particulate matter.	17.
ALCOHOL INVOLVED TRAFFIC ACCIDENT - Either driver, biker or pedestrian reported consuming alcohol prior to the accident (.04 and above).	16.
APPLICANT - A person who contacts a local office of New Hampshire Employment Security to seek employment or obtain employability development services. An applicant active at anytime during a program year may have applied more than once during a twelve month period but is only counted once.	3.
ASSISTED RENTAL HOUSING - Several programs provide both project-based and certificate-based financial assistance for low income housing renters including NHHFA (New Hampshire Housing Finance Authority), HUD (U.S. Dept. of Housing and Urban Development), FMHA (Farmers Home Administration), and local housing agencies.	9.
AVERAGE WEEKLY EARNINGS, PRODUCTION WORKERS - Average total money earnings of production or nonsupervisory workers in the survey week, including overtime, paid vacation, and sick leave; this data is based on a monthly sample.	13.
BENEFITS PAID, UNEMPLOYMENT INSURANCE - "Benefits" means the money payable to an individual as compensation for wage losses due to unemployment. Includes private industry, state and local government, and nonprofit organizations plus interstate benefits, adjusted for benefit recoveries and transfers under interstate combined-wage plan.	3.
BIRTH RATE - Number of resident live births per 1,000 resident population (mid year).	1.
BTU - British thermal units. The standard unit for measuring quantity of heat energy, such as the heat content of fuel. It is the amount of heat energy necessary to raise the temperature of one pound of water by one degree Fahrenheit at a specified temperature.	6.
BUILDING PERMITS, RESIDENTIAL - An updating of decennial census data based on permit data to represent year-round housing units. Not all communities respond to the annual survey and some units used only on a leisure time basis may not be screened out.	9.
CIVILIAN LABOR FORCE - See Labor Force	3.
CONSUMER PRICE INDEX FOR URBAN CONSUMERS (CPI-U) - A measure of the average change in the prices paid by urban consumers for a fixed market basket of goods and services. This index represents the buying habits of about 80 percent of the noninstitutional population of the United States. The current index uses a basket of goods and services surveyed in 1982 through 1984; the bundles cost in 1982-84 prices is set equal to 100 and all price changes are relative to the base prices. A CPI is not prepared specifically for New Hampshire, so generally the index for the entire United States is used.	13.
CONSUMER PRICE INDEX FOR URBAN CONSUMERS (CPI-U-X1) - A modified series of the CPI-U that integrates the current approach of estimating shelter services with the pre-1983 method. It is recommended for researchers using time series; the Bureau of the Census used it for calculating the median household income in real dollars.	13.

SECTION

CONTRACT VALUE INDICES (Value of construction contracts) - Total construction: Index of value of contracts let for new construction, additions, and major alterations, but not for maintenance. Nonbuilding construction includes highways, bridges, dams, utility systems, airports, etc. Nonresidential building construction includes stores, factories, offices, hospitals, schools, etc. Residential construction includes single and multiple unit houses, hotels, motels, dormitories. 9.

DEFENSE CONTRACTS - Awards made in fiscal year specified; related expenditures may extend over several years. 7.

DISABILITY BENEFITS UNDER SOCIAL SECURITY - For purposes of entitlement to benefits, disability is defined as the inability to engage in any substantial gainful activity by reason of medically determinable physical or mental impairment severe enough to render the person unable to engage in any kind of substantial gainful work regardless of availability of such work. 14.

DURATION, AVERAGE, OF BENEFIT PAYMENTS - Number of weeks compensated for unemployment during the year divided by the number of first payments. May include more than one period of unemployment. 3.

EARNINGS - See Average Weekly Earnings, Production Workers 13.

ENERGY CONSUMPTION - Statistics include use of various forms of petroleum, natural gas, coal, nuclear fuels, and hydroelectric generation but exclude wood, waste, wind, solar, and photovoltaic sources. Physical units are converted to BTUs. Adjustments to state data are made for interstate sales and include electrical system energy losses incurred in generation, transmission, and distribution of electricity plus plant use and unaccounted for electrical system energy losses. Data is gathered from a variety of surrogate measures selected on the basis of availability, applicability as an indicator of consumption, continuity over time, and consistency. 6.

ENERGY GENERATED, NET - The total amount of electric energy (kilowatt-hours) produced by the generating units in a generating station less the kilowatt-hours consumed for station use. 6.

FUEL CONSUMED TO GENERATE ELECTRICITY - Fuel required by all types of electricity generating plants. Coal, gas, and nuclear fuels shown in equivalent barrels of oil. Oil shown in 42 gallon barrels; 0.276 tons of coal or 5.965 mcf of gas equals approximately one barrel of oil. 6.

FOOD STAMP PROGRAM - A federal government-sponsored program to increase the buying power and the nutritional level of low-income families. 14.

GROSS DOMESTIC PRODUCT (GDP) - A measure of the market value of final goods and services produced by labor and property located in the nation. For information about sources and methods for estimating GDP, refer to the December 1991 issue of *Survey of Current Business*. 7.

GROSS STATE PRODUCT (GSP) - The state counterpart of the nation's gross domestic product (GDP), that is, a measure of the market value of final goods and services produced by labor and property located in the state. 7.

HIGH SCHOOL GRADUATION RATE - The percentage of ninth graders who receive a regular high school diploma four years later. For example: the graduation rate for 1990 is for students who were in the ninth grade in the fall of 1986. Graduation rates have been adjusted for interstate migration and unclassified secondary school enrollment. 2.

HIGH-TECH INDUSTRIES - Industries with a proportion of technology-oriented workers (engineers, life and physical scientists, mathematical specialists, engineering and science technicians, and computer specialists) at least 1.5 times the average for all industries. High-tech may also be defined by the amount of research expenditures or a combination of technology-oriented workers and R & D expenditures. 4.

SECTION

HOME SALES OF EXISTING HOMES - Estimates based on multiple listing data. Projections are made with cooperation of National Association of Realtors. Data primarily consists of existing units of single-family homes, townhouses, condominiums, and cooperatives. Multiple units are excluded. 9.

IMPLICIT PRICE DEFLATOR (IPD) FOR GDP - The ratio of GDP (gross domestic product) in current dollars to GDP in constant dollars. Prices of goods and services are surveyed in the current year and divided by prices of those same goods and services in the base year to yield the IPD. 13.

INADEQUATE PRENATAL CARE - The number of babies who received no care or whose care began in the third trimester of pregnancy. 1.

INCARCERATION RATE - The number of persons confined in prison per 100,000 people in the state's resident population. Department of Justice rates pertain to prisoners with sentences over one year and include those under both federal and state jurisdiction. 16.

INDEXED CRIME - Selected offenses used to gauge fluctuations in the overall volume and rate of crime reported to law enforcement. The offenses included are the violent crimes of murder and nonnegligent manslaughter, forcible rape, robbery, and aggravated assault and the property crimes of burglary, larceny-theft, motor vehicle theft, and arson. 16.

INPATIENT DAYS - The number of days that patients (excluding newborns) spend in a hospital, including the day of admission but not the day of discharge. 15.

LABOR FORCE - All persons 16 years and older who are either employed or unemployed. Normally reported as civilian labor force by place of residence. 3.

MANUFACTURERS' SHIPMENTS - The received or receivable net selling values, f.o.b. plant (exclusive of freight and taxes), of all products shipped, both primary and secondary, as well as miscellaneous receipts, such as receipts for contract work for others, installation and repair, sales of scrap, and sales of products bought and resold without further processing. 7.

MEALS AND ROOMS SALES - Based on taxes received from hotels, motels, restaurants and other eating and drinking establishments under Meals and Rooms tax authority. Rate was 7 percent before April 1990 and 8 percent starting April 1990. 12.

NATURAL INCREASE RATE - The number of resident births minus deaths per 1,000 total resident population. 1.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT - Place of work employment that does not include the private household workers, self-employed, unpaid family workers, and domestics or agricultural workers. 4.

NON-PERFORMING LOANS - Loans & leases 90 days or more past-due or in nonaccrual status. 11.

OASDI (Old-age, survivors, disability, and health insurance) - See Social Security 14.

OCCURRENCES - Births, deaths, and other vital events that are recorded regardless of residence. 1.

PARTICIPATION RATE, LABOR FORCE - The proportion in the labor force of all persons 16 years of age or older who are not inmates of penal or mental institutions, sanitariums, or homes for the aged, infirm, or needy, and members of the Armed Forces stationed in the U.S. 3.

PART-TIME WORK - Work that is less than 35 hours per week. 3.

SECTION

PERSONAL INCOME - The current income received by all the residents of the state from all sources, including wages and salary disbursements, other labor income, proprietors' income, rental income, interest, dividends and transfer payments less personal contributions for social insurance. Per Capita Personal Income is personal income divided by the July 1st resident population. Disposable Personal Income is personal income less tax and nontax payments. 13.

POVERTY - The persons in a family are considered to be in poverty when total money income (wages, transfer payments, unearned income, etc.) for a year falls below designated poverty thresholds based on the cost of a nutritionally adequate food plan, with variations for family size, adjusted annually according to the consumer price index. 14.

PROPERTY TAX RATES, EQUALIZED - Provide a uniform standard for comparing tax rates between towns and counties. 12.

PROPERTY TAX RATES, FULL VALUE - The tax rate if property were assessed at its full market value. Rates represent tax on each $1,000 of a property's market value. 12.

PROPERTY TAX ASSESSMENT RATIO - The full value assessment ratio is a comparison between current assessments (local tax rate) and full market value (full value tax rate). 12.

RURAL TRAFFIC COUNT - Automatic traffic counter data recorded on N.H., U.S., and interstate roadways designated as rural areas. Data is collected and reported by the Department of Transportation, Bureau of Transportation Planning. 10.

SCHOLASTIC APTITUDE TEST SCORE - Mean test score for all students in the state who took the SAT exam during the designated academic year. 2.

SOCIAL SECURITY - National Old-Age, Survivors, and Disability Insurance (OASDI) - The largest income-maintenance program in the United States. Provides monthly cash benefits to replace, in part, the income lost when a worker retires in old age, becomes severely disabled, or dies. Coverage is nearly universal -- including about 95 percent of the jobs in this country. Funds come primarily from taxes on earnings in covered jobs and from the self-employed along with matching funds paid by employers. 14.

TAXABLE PROPERTY VALUATION - The equalized valuation per capita in constant 1970 dollars. The equalized valuation reflects, insofar as possible, the true and market value of all taxable property in each community as determined by the Department of Revenue Administration. 12.

TIME AND SAVINGS DEPOSITS - The sum of money market deposit accounts, savings deposits, time deposits, and individual retirement (IRA) and Keogh accounts. The data are monthly averages of daily dollar figures. 11.

TRANSFER PAYMENTS - Part of personal income which includes Social Security benefits, unemployment insurance benefits, veterans benefits, government employment retirement, AFDC, etc. 13.

UNEMPLOYED- Persons who were not employed during the monthly survey week but were available for work and had either (1) overtly engaged in a job seeking activity within the previous four week period; (2) were waiting to be recalled from a layoff; or (3) were waiting to report to a new job within 30 days. 12.

UNIT (IN PRIVATE COVERED EMPLOYMENT) - any employer whose workers are covered by New Hampshire Unemployment Compensation law. In general covered employers include any individual or organization which employs one or more workers within the state during the year. Exempted from unemployment compensation coverage are the self employed and the employees of railroads and of most private households, farms, and religious organizations. A single Unit may have employment in more than one physical location (an *establishment*) in the state or even in a city or town. 5.

SECTION

VALUE ADDED BY MANUFACTURE - This measure of manufacturing activity is considered to be the best value measure available for comparing the relative economic importance of manufacturing among industries and geographic areas. The cost of materials, supplies, fuels, etc. are subtracted from the value of shipments plus receipts for services rendered and adjusted by adding value added by merchandising plus net change in finished goods and work-in-process between the beginning and end of year. 7.

VEHICLE REGISTRATIONS - A count of the registration certificates on file at the Department of Safety at the end of each calendar year. Passenger vehicle registrations include plates for handicapped, purple heart, disabled American veterans, former prisoners of war, and New Hampshire National Guard. Trucks consist of motor vehicles of all sizes including tractor-trailers used primarily for the transportation of property. Trucks are assigned a "commercial" registration. 10.

WAGES - See Average Weekly Earning, Production Workers 13.

WATER QUALITY CLASSIFICATION - Class A waters (Highest quality) are acceptable for water supply used after disinfection. Class B waters are acceptable for bathing and other recreational purposes, and, after adequate treatment, for use as water supplies. Class C waters are potentially acceptable for boating, fishing, or for industrial water supply uses. 17.

WEEKLY BENEFIT AMOUNT, AVERAGE - Benefits paid for total unemployment during the year divided by the number of weeks compensated. Payments for partial unemployment are excluded. State and local government benefits are included. 3.

WEEKS COMPENSATED FOR UNEMPLOYMENT - Number of weeks of unemployment for which benefits were paid including both total and partial unemployment. Includes state and local government. 3.

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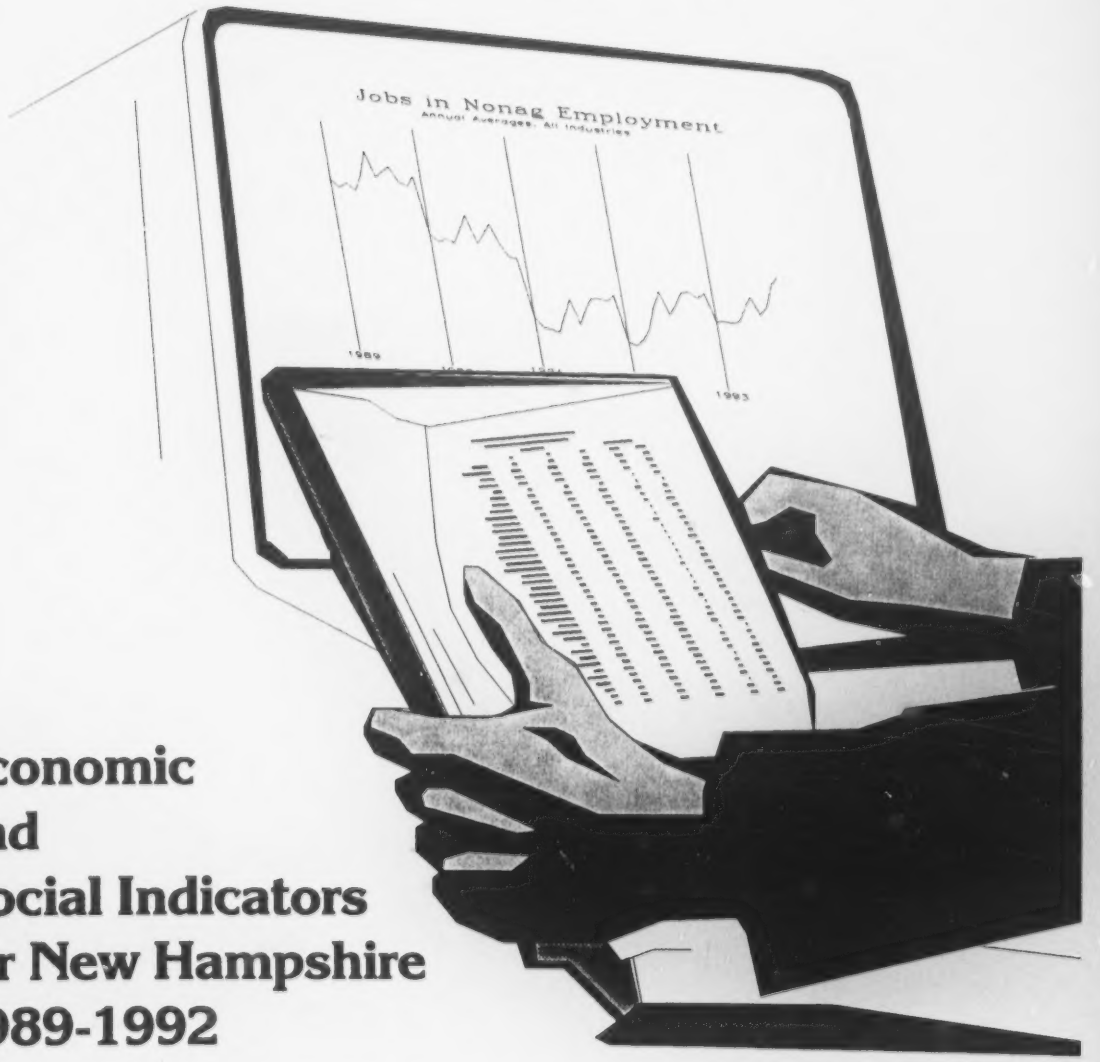
Vital Signs



Economic and Social Indicators for New Hampshire 1989-1992

Employment SECURITY

A LABOR MARKET INFORMATION REPORT

VITAL SIGNS:

NEW HAMPSHIRE ECONOMIC AND SOCIAL INDICATORS

1989 - 1992

A LABOR MARKET INFORMATION REPORT

Prepared by

Economic and Labor Market Information Bureau
New Hampshire Employment Security
December 1993

THE STATE OF NEW HAMPSHIRE
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INTRODUCTION

This annual review of New Hampshire economic and social indicators is designed to present, as concisely as possible, as many significant aspects of the state's economic, social, and environmental structure as possible. Four years of data are reported, whenever available, in order to depict recent trends, and comparisons are made with other states whenever appropriate.

The data has been drawn from published reports or unpublished records of many State and Federal government agencies and private organizations. We are indebted to the numerous individuals who contributed special information or provided advice on evaluating reported data. In order to conserve space in the tables of indicators, specific references have been omitted, but sources are identified by abbreviations in the last column. Attention should be paid to notations included with the line titles about the actual size of the data and time interval used. Fiscal year data is listed under the second calendar year involved. For example, enrollments for the 1990-1991 school year are shown under 1991. Whenever possible, 1993 updates are reported along with other comments in the preceding summary analysis.

Some of the data items in the tables are available on a county basis. A copy of selected data by county in New Hampshire may be obtained by contacting the Economic and Labor Market Information Bureau.

The observations expressed in this report do not necessarily reflect those of New Hampshire Employment Security, and no official endorsement should be inferred.

1992 NEW HAMPSHIRE HIGHLIGHTS

POPULATION

Population rebounded from the 1991 outmigration losses, coming back strong to record a count of 1,111,000 for 1992. Annual percentage change ranked New Hampshire 41st (tied with Vermont) in population growth. Office of State Planning projects that our annual growth numbers will range from 3,000 to 10,000 from now to the year 2015.

EDUCATION

Elementary and secondary school enrollments were up 1.9 percent, reaching an enrollment total of 195,240. This was caused by things such as population factors, school programs to induce students to stay in school, and limited employment opportunities available to potential dropouts. Postsecondary enrollments and the number of graduates from New Hampshire colleges were also up, although voc-tech enrollments declined slightly. Degrees earned in the health science field jumped 24 percent in one year.

LABOR FORCE AND UNEMPLOYMENT

The civilian labor force decreased in size by a minimal 0.2% from 1991 to 1992; this is the first annual decline since at least 1978. The unemployment rate edged higher to 7.5% in 1992, up from 7.2% the prior year. This is an all-time high for the comparable data series which extends back to 1978 and tops the 7.4% unemployment recorded in 1982, during the previous recession.

EMPLOYMENT BY INDUSTRY

The number of jobs in nonagricultural employment made a comeback in New Hampshire in 1992 increasing by 3,200 after two consecutive years of decline. Services and wholesale and retail trade led our state out of the doldrums with increases of 2.6 percent and 2.2 percent respectively. The New England area did not fare as well as New Hampshire in 1992, suffering its third consecutive loss in nonagricultural jobs. Nationally, nonfarm employment increased 0.2 percent.

ESTABLISHMENTS IN PRIVATE INDUSTRY

Although the rise in the number of private employers was minimal (only 104 more companies were in operation in 1992), the increase was the first to occur in three years. As expected, the growth was fueled by an increase in the number of trade and services oriented firms.

ENERGY

New Hampshire remained dependent on high-priced oil, although its oil prices are low compared to other states. Electricity price increases continued to be limited by the rate agreement which is in effect until May 1997 and by competition of other energy sources. This has led to layoffs by the state's largest electric utility.

PRODUCTION

Inflation, though moderate, continued to wipe out meager gains in gross state product. In spite of an increase in 1991, value added by manufacture continued to be low compared to other states because of our relatively high wages.

TRADE, RECREATION, AND HOSPITALITY

Retail sales in New Hampshire were up 8.8 percent in 1992 after being off 7.2 percent the previous year. This increase was led by food, eating and drinking places, and general merchandise firms. The New Hampshire International Speedway drew an estimated 60,000 fans to witness the inaugural Winston Cup Race in Loudon with an overall economic impact to the state of $150 million.

CONSTRUCTION AND HOUSING

A turn around in the construction industry was spurred by an increase in big retail projects such as Walmart, HQ and Home Depot. In real estate, the average number of days on the market when selling a house in New Hampshire was 177 in 1992 up from 161 in 1991. The average selling price was $108,500 in 1992 as opposed to $119,700 the previous year.

TRANSPORTATION AND TRAFFIC

Traffic on New Hampshire roadways recovered from previous drops to establish 1992 increases in traffic counts, vehicle registrations, driver licenses, and motor fuel consumption. Aircraft passenger departures increased and should continue to do so as the new airport facility in Manchester begins operation. United States mail handled for the first time increased by a whopping 57 percent at the Manchester and Portsmouth facilities.

FINANCE AND BANKING

Bank deposits and assets continued to decline and the number of banking institutions and employment in banking will continue to fall with more settling out yet to come in the industry. The financial position of the remaining institutions has improved with the shrinking of the value of non-performing loans. Bankruptcy filings declined in calendar year 1992 and are continuing to fall in 1993.

GOVERNMENT REVENUES AND EXPENDITURES

State government revenues from the federal government jumped from $441.2 million in 1991 to $733 million in 1992. This boosted New Hampshire from near last (48th highest) in the United States in 1991 to 37th place in 1992.

INCOME, WAGES, AND COST OF LIVING

Total personal income went up by 5.2 percent and per capita personal income increased by $1,000 for New Hampshire residents. Our level of per capita personal income for 1992 ranked us sixth in the nation for the third consecutive year. Total wages paid in covered employment finished the year with a record high $11,843 million. The increase in the Consumer Price Index (+2.9%) was the second smallest during the past ten years.

SOCIAL ASSISTANCE

New Hampshire had 25.9 recipients of Aid to Families with Dependent Children for each 1,000 residents in July 1992. This was the 4th lowest state nationally and lower than any other New England state.

HEALTH NEEDS

Total expenses per hospital admission for 1992 were up in New Hampshire, New England, and the United States. Changes in the health care system persisted as the trend of converting inpatient services to outpatient care continued, with added emphasis on home recovery and at-home ongoing care. Discussion on a national health plan by the Administration has the country's attention.

CRIME AND ACCIDENTS

The violent crime index for New Hampshire rose 5.4 percent in 1992. The only other New England state to record an increase in this category was Massachusetts, posting a 5.8 percent climb. Violent crime was pushed up by increases in forcible rape (+12.5%) and aggravated assault (+9.9). Although traffic accidents declined in 1992, the number of reported injuries was up 23.2 percent.

ENVIRONMENT

The last remaining municipal discharge of untreated sewage to the Merrimack River came to an end with the completion of interceptor and pump station projects in the City of Manchester. Auto emissions testing will be implemented in the four most populous counties of our state by 1995.

CHANGE IN KEY ECONOMIC INDICATORS

	1991	1992
Gross state product (1987 dollars)	-1.1%	-1.0%
Retail sales	-7.2%	8.8%
Meals and rooms sales	-0.5%	5.1%
Home sales	20.3%	26.3%
Electricity purchased	-0.1%	0.0%
Bank assets	-9.6%	-3.6%
Non-performing loans	-44.3%	-56.7%
Bankruptcy filings	85.8%	16.4%
Income, per capita	3.7%	4.4%
Wages, average weekly	4.1%	5.2%
Population	-0.5%	0.6%
School enrollment	0.5%	1.9%
Unemployed, average number	27.8%	2.2%
Employment, nonagricultural	-5.1%	0.7%
Vehicle registrations	-7.0%	2.9%
Welfare persons	33.9%	11.1%
Criminal offenses	-5.8%	-10.2%
Traffic accidents	-30.7%	-5.5%

1. POPULATION

New Hampshire experienced a population gain in 1992, attaining an estimated population total of 1,111,000. The state population rebounded from a revised 4,000 loss in 1991, recouped the loss, and then exceeded 1990's revised count of 1,108,000. The 1992 increase represented a gain of 0.5% from the revised 1991 population count of 1,104,000, and ranked New Hampshire 41st nationally. The ranking, based on percent of increase (1 equals greatest percentage of increase), placed the state in a tie with Vermont. In 1991 New Hampshire was ranked last at the 51st position. The enduring population factor, natural increase (births minus deaths), produced a rate of 7.0 per thousand for 1992. The resident rate for 1991 was 7.2 per thousand. Even considering natural increase, the significance of the 1992 population recovery was reflected in the in-migration rate change. First consider the rate for 1991 was revised to -10.8 per thousand population. Then in 1992, the preliminary rate increased to -0.7 per thousand population, producing a 10.1 mathematical swing of the rate over-the-year. Historically, during the last two decades, in-migration has provided 74% of the population gain of the 1970's and 62% of the gain during the 1980's[1].

SLOWING OF OUTMIGRATION LEADS TO POPULATION REBOUND

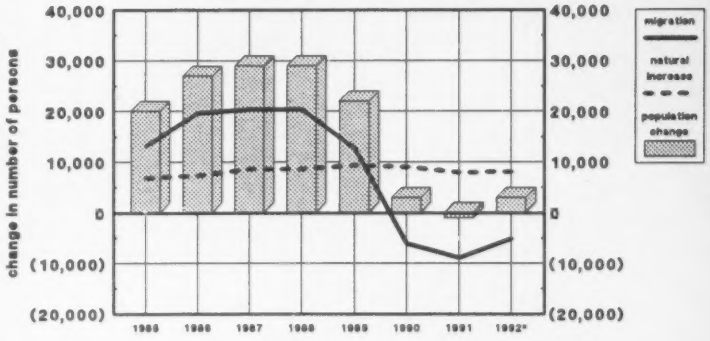

Figure 1.a: FACTORS of POPULATION CHANGE
BIRTHS minus DEATHS and NET MIGRATION
*Live births/deaths estimated from occurrences.

Although our attention is on the present and the recent past, a comparison with estimates of future state population growth is useful. In April of this year the New Hampshire Office of State Planning (OSP), issued population projections. The projections covered the time span 1995 to 2015, and were compiled on newly acquired software. The importance of migration and recession economics are part of certain assumptions when estimating population change. OSP held the following: out-migration was temporary, economic recovery will be gradual, twenty-nine years of in-migration history still reflects the future, and very high growth rates (25-30,000 persons per year) would not recur during the projected time frame. Present to 1995 projections of population growth estimate an annual average of 3,000. In the years advancing toward 2015, OSP estimates the annual average will increase to 10,000, a substantial figure compared with present growth. However, these estimates are far below the annual average figure of 22,000 experienced during the 1985 to 1990 period[1].

NEW HAMPSHIRE AND U.S. BIRTH RATES SPREAD FURTHER APART

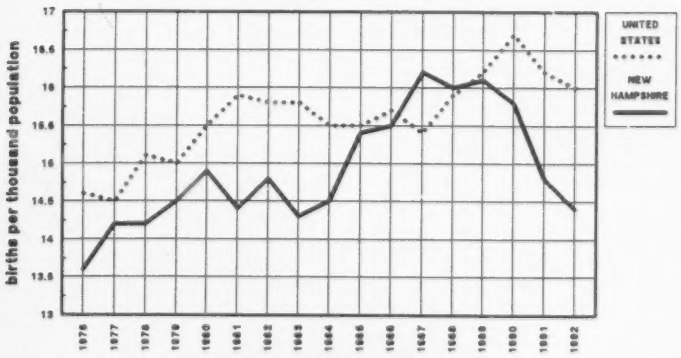

Figure 1.b: RESIDENT LIVE BIRTH RATE
(births per thousand population)
NEW HAMPSHIRE vs UNITED STATES

New Hampshire can again boast of the youngest population based on 1992 median age. This claim is a shared distinction with Vermont of having the lowest median age (33.8 years) in the New England states. As the population continues to become older, the median age increases slightly each year. The distribution of age portion of Table 1 supports the hypothesis of a population aging. The 45 to 64 and the over 65 groups increased by 0.6 and 0.2 percentage points, respectively, 1991 to 1992. All other groups decreased (including under 5 years, see discussion of births/birth rates below), except for the 5 to 17 age category. The largest grouping (382,000) was the 25 to 44 age group, which represented 34.4% of the total population.

NEW HAMPSHIRE POPULATION IS EXPECTED TO AGE INTO THE NEXT CENTURY

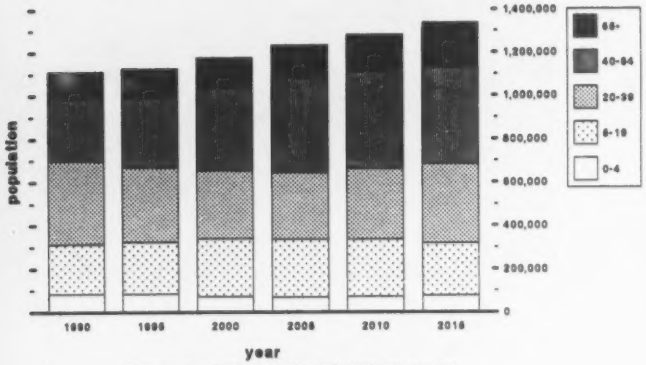

Figure 1.c: NEW HAMPSHIRE POPULATION PROJECTIONS to the YEAR 2015 from OFFICE OF STATE PLANNING PROJECTIONS

The number of live births and the birth rate (live births per thousand), for 1992 declined to 15,988 and 14.4 respectively. When residence data became available, the previous year's (1991) birth rate was updated to 14.8 based on 16,324 live births . The number of births had followed an upward pattern throughout the 1980's, the peak occurring in 1989. Since then, births have decreased each year as evidenced by the declining numbers and birth rates displayed in Table 1. OSP projections indicate that the population of preschoolers (ages 0 to 4) will be on the decline until 2005, and then see a rise through 2015. This age group makes up more than 7.5% of the current population, but is estimated to decline to 5.5% by the year 2005. This percentage is expected to be consistent through 2015, even though estimates show the preschooler population will actually increase. A prediction like this is supported by the adult groups becoming increasingly older and therefore, a larger percentage of the total population[2].

The number of births to teenage mothers was also revised for 1991 with the availability of residence numbers (1,164). What had appeared in 1990 to be the beginning of a downward trend for the nineties, indeed continued in 1991. In October, the Center of Disease Control and Prevention released a report (based on 1991 data), that New Hampshire had the lowest birth rate among teens in the nation, 33 births per thousand teens[3]. Births to unmarried mothers continued to rise, a rate establishing itself as a clear reflection of social change. More unmarried women are opting to take pregnancies to full term. A ten year national statistic reported that "the proportion of mothers among never-married women increased from 15.1% in 1982 to 23.7% last year."[4] The percent of live births that receive late (third trimester) or no prenatal care remained unchanged from 1990 to 1991.

The number of couples married in New Hampshire during 1991 tallied 9,783. The marriage occurrence rate was 8.9 marriages per thousand population, placing the state below the national rate of 9.4. The number of marriages decreased in 1991 compared with 10,535 marriages in 1990. Median ages of the bride and groom remained unchanged; 29 years of age for grooms and 27 years for brides. The percentage of men and women attaining twelve years of education or more before marriage increased 0.2 percentage points respectively, closing in on 90% for each. Divorces, including legal separation and annulments, numbered 4,915 in 1991. The divorce rate (4.4 per thousand population) declined slightly, establishing New Hampshire below the national rate of 4.7 per thousand. Marriages ending in divorce in 1991 averaged 9.9 years in length, and 59.8% of the divorces involved custody of minor children[5].

The resident death rate for New Hampshire remained unchanged for the three year period 1989-1991, 7.6 deaths per thousand persons. In 1991 the number of deaths totaled 8,383, down 72 from the previous year. Leading causes of death continued to be heart disease, cancer, and cerebrovascular diseases, accounting for 65.7% of all deaths in 1991. The leading cause of premature mortality (death before age of life expectancy), was cancer, displacing 1990's leader, heart disease. The infant death rate for 1991 was revised upward to 5.9%, an increase of 0.3 percentage points. AIDS (HIV infection) related deaths in New Hampshire have numbered 110 in the five year period 1987 to 1991. The number of AIDS deaths (27) decreased by one in 1991. Males have accounted for 104 of the 110 AIDS related deaths[6].

Charles K. Hood

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[1] ***New Hampshire Population Projections for Counties by Age and Sex; 1995 to 2015***. New Hampshire Office of State Planning, April 1993: section 3.

[2] ***New Hampshire Population Projections for Counties by Age and Sex; 1995 to 2015***. New Hampshire Office of State Planning, April 1993: section 4.

[3] "With 33 Births Per 1,000 Teens, NH's Rate is the Nation's Lowest." ***The Union Leader***, [Manchester, NH], 1 Oct. 1993: pg. 1.

[4] "Out-of-Wedlock Births Rise Dramatically." ***The Union Leader***, [Manchester, NH], 14 Jun. 1993.

[5] "Marriage and Divorce." ***1991 Vital Statistics Report for the State of New Hampshire***, Division of Public Health Services, pg. 50-55.

[6] "Mortality." ***1991 Vital Statistics Report for the State of New Hampshire***, Division of Public Health Services, pg. 27-49.

1. POPULATION	1989	1990	1991	1992	Source
RESIDENT POPULATION, July 1st (thousands)	1,105	1,108	1,104	1,111	DES/CB
Annual percentage change	2.0%	0.3%	-0.4%	0.6%	DES/CB
United States rank	Tie 5	Tie 20	51	Tie 41	DES/CB
DISTRIBUTION BY AGE					
Under 5 years	7.6%	7.5%	7.7%	7.4%	CB
5 to 17 years	17.7%	17.5%	17.6%	17.8%	CB
18 to 24 years	11.1%	10.6%	10.1%	9.9%	CB
25 to 44 years	33.9%	35.0%	34.8%	34.4%	CB
45 to 64 years	18.3%	18.1%	18.1%	18.7%	CB
65 years and over	11.4%	11.2%	11.6%	11.8%	CB
MEDIAN AGE					
New Hampshire	32.3	32.8	33.3	33.8	CB
Connecticut	34.7	34.4	34.7	35.1	CB
Maine	33.3	33.9	34.4	34.8	CB
Massachusetts	33.8	33.6	33.8	34.2	CB
Rhode Island	33.9	34.0	34.2	34.6	CB
Vermont	32.0	33.0	33.4	33.8	CB
United States	32.7	32.9	33.1	33.4	CB
VITAL RECORDS*					
Live births	17,801	17,519	16,324	15,988	VS
Birth rate (live,per 1,000)	16.1	15.8	14.8	14.4	VS
Births to teenage mothers	1,336	1,262	1,164	N.A.	VS
Percent of total live births	7.5%	7.2%	7.1%	N.A.	VS
Non-marital births (percentage of totals)	15.7%	16.9%	18.3%	N.A.	VS
No or late prenatal care (pct.of live births)	3.0%	2.4%	2.4%	N.A.	VS
Infant death rate	7.9%	7.1%	5.9%	N.A.	VS
Natural increase rate (per 1,000 population)	8.5	8.2	7.2	7.0	VS
Net inmigration rate (per 1,000 population)	11.5	-5.5	-10.8	-0.7	DES

* *VITAL RECORDS (1992 data are occurrences; other years are residential data)*

2. EDUCATION

OUT MIGRATION IS NOT APPARENT IN SCHOOL ENROLLMENT NUMBERS

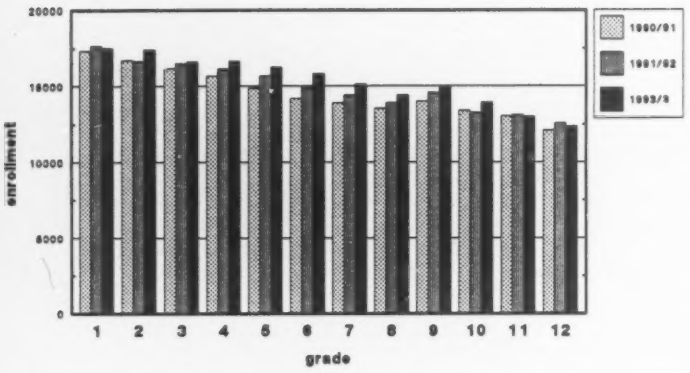


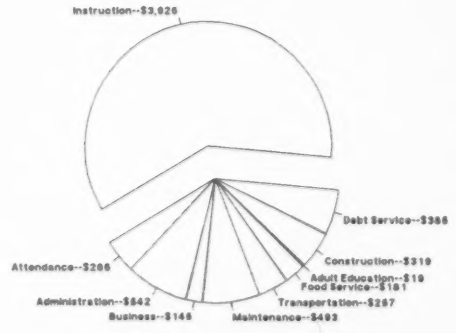
Figure 2.a: NEW HAMPSHIRE SCHOOL ENROLLMENTS by GRADE 1990/91, 1991/92, and 1992/93

School enrollment for public and private schools made a determined gain in the fall of 1992, reaching 195,240 total enrollments. This represented an increase in total growth rate to 1.9% over-the-year, compared with growth rate percentages of 0.5 to 1.7 during the preceding three years. A dramatic increase in growth rates for first grade and twelfth grades are evident in Table 2, as 1991 rates of -14.4% and -5.6% were replaced in 1992 by positive rates of 1.8% and 3.9%, respectively. As the twelfth grade was marking this increase, the 11th and 12th grade vocational enrollment (public and public academies) declined from 10,468 in 1991 to 9,928 in 1992. This latest voc-tech enrollment figure was 44.3% of the total for these two grades. The 1992 pupil-teacher ratio dropped to an estimated 15.2, ranking New Hampshire 14 out of 51 nationally (includes District of Columbia; 1 = lowest pupil-teacher ratio). The ranking remained unchanged compared with 1991, but 1991's pupil-teacher ratio was slightly higher at 15.5. Average teacher salaries in the state for 1992 increased to $33,170, representing a 6.0% gain. The estimated average teacher salary for 1991 remained unchanged at $31,273.

Graduation rates for secondary school attendees increased to 76.2% at the close of the 1991 school year. New Hampshire ranked 22nd nationally based on percentage showing (1 = highest graduation percentage). The graduation rate went up 2.2 percentage points and the ranking jumped five places. Both numbers pointed to increased emphasis placed on young people to complete school. The Department of Education recently announced that the dropout rate for the state fell from 6.0% in 1987-88 to 4.2% in 1991-92. Reasons given for the change ranged from programs aimed at keeping young people in school to a sagging economy. With a tight job market the temptation is less for secondary school students to drop out and enter the labor force[1]. Graduation rates and ranking for 1992 were not available at publication time. College enrollments by public school graduates were available, however, as 1992 percentages were the highest this decade with 45.2% enrolled in four-year schools. Enrollments in less than four-year schools were up 0.6 percentage points to 17.6%. As college enrollments increased, the number of graduates entering employment or the armed forces dipped slightly to 31.4%. The number of graduates of vocational-technical secondary programs decreased to 3,156, a 9.0% decline that paralleled the drop in enrollment figures for vocational-technical programs.

Average expenditures per pupil for 1992, all grades, dipped slightly to $6,554. The amount designated to instruction costs amounted to $3,926 (see fig. 2.b), or 60% of the total expenditure figure. Administration costs accounted for 14% of the total average expenditure figure. The expenditures as a percentage of per capita income amounted to 26.3% in 1991. This figure placed New Hampshire 32nd

INSTRUCTIONAL SPENDING BIGGEST SLICE OF THE PIE



$6,553 spent per pupil in 1992

Figure 2.b: NEW HAMPSHIRE PER PUPIL SCHOOL EXPENDITURES for the 1991/92 SCHOOL YEAR

2. EDUCATION - by close of school year	1989	1990	1991	1992	Source
A. ELEMENTARY AND SECONDARY EDUCATION SCHOOL ENROLLMENT (fall, public & private)					
(excludes preschool)	188,067	190,640	191,574	195,240	DE
Growth rates: Total	1.7%	1.4%	0.5%	1.9%	
First grade	3.3%	0.5%	-14.4%	1.8%	
Twelfth grade	-3.9%	-5.4%	-5.6%	3.9%	
Voc-tech enrollment (secondary)	10,206	9,981	10,468	10,928	DE
Percent of 11th & 12th grade (public and public academies)	42.4%	44.9%	48.1%	44.3%	
Pupil-teacher ratio (public schools)	16.2	16.2	15.5	15.2[a]	UED
United States rank (including D.C.)	22	21	14	14[a]	UED
Teacher salaries	$26,702	$28,886	$31,273	$33,170	UED
United States rank	29	25	24	23	UED
HIGH SCHOOL GRADUATES (Public schools)					
Graduation rate (adjusted for migration, unclasss.)	74.1%	74.0%	76.2%	N.A.	UED
United States rank (including D.C.)	27	27	22	N.A.	UED
Total number of graduates (public)	11,404	10,770	10,106	10,349	DE
Enrolled in four-year college	41.8%	41.6%	44.4%	45.2%	DE
Enrolled in less-than four year college	16.0%	18.5%	17.0%	17.6%	DE
Employed or in armed forces	36.3%	33.5%	31.5%	31.4%	
VOC-TECH SECONDARY COMPLETERS					
High School Technical Program Graduates	3,332	3,378	3,454	3,156	DE
SCHOLASTIC APTITUDE TEST (SAT)	932	928	921	923	UED
National average	903	900	896	899	UED
Rank (22 states administering test)	1	1	3	2	UED
Percent of high school graduates taking test	66%	67%	75%	76%	UED
EXPENDITURES PER PUPIL (average)					
Total, Net, all purposes (school year)	$5,772	$6,310	$6,562	$6,554	DE
Annual percent change	13.2%	9.3%	4.0%	0.1%	
Instruction expenditures	$3,256	$3,605	$3,868	$3,926	DE
Current expenditures/pupil in ave. daily attn.	$4,807	$5,304	$5,672	N.A.	UED
Expenditures as % per capita income:					
New Hampshire	23.5%	25.3%	26.3%	N.A.	UED/DES
United States	26.2%	26.6%	27.4%	N.A.	UED/DES
United States rank	44	31	32	N.A.	UED/DES
Revenue sources, percent of total school revenues:					
State funds	8.4%	8.4%	7.8%	N.A.	UED
National average	47.8%	47.2%	47.3%	N.A.	UED
United States rank	50	50	50	N.A.	UED
Local and other[b] funds	88.6%	88.8%	89.3%	N.A.	UED
National average	46.0%	46.6%	44.1%	N.A.	UED
United States rank	1	1	1	N.A.	UED
Federal funds	3.0%	2.8%	2.8%	N.A.	UED
National average	6.2%	6.1%	6.2%	N.A.	UED
United States rank	49	50	50	N.A.	UED

2. EDUCATION - by close of school year (Continued)	1989	1990	1991	1992	Source
B. POSTSECONDARY EDUCATION					
ENROLLMENT, fall total, 2 & 4 year institutions	56,222	55,521	63,275	63,859	PEC
DEGREES GRANTED BY NH COLLEGES	10,973	11,103	12,014	12,747	PEC
Associate degrees	2,206	2,341	2,638	2,943	PEC
Bachelor degrees	6,954	6,745	7,073	7,431	PEC
Postgraduate degrees	1,813	2,017	2,303	2,393	PEC
By Selected Concentration:					
Business and management	3,117	3,429	2,240	3,760	PEC
Health science & allied (including M.D.)	660	699	745	923	PEC
Engineering	642	666	630	629	PEC
Computer information	462	403	346	401	PEC
VOC-TECH POSTSECONDARY GRADUATES	961	1,070	1,259	1,380	PSV
Number employed full-time after six month	745	778	774	759	PSV
Percent working full-time	77.5%	72.7%	61.5%	55.0%	PSV
Percent working in New Hampshire	84.0%	80.5%	80.9%	79.4%	PSV
Number continuing education	108	141	197	202	PSV
Percent continuing education	11.2%	13.2%	15.6%	14.6%	PSV

[a] *1992 data are estimates.*
[b] *Includes gifts, tuition, and fees from patrons.*

NEW HAMPSHIRE SAT SCORES DECLINE PARALLELS NATIONAL DECLINE

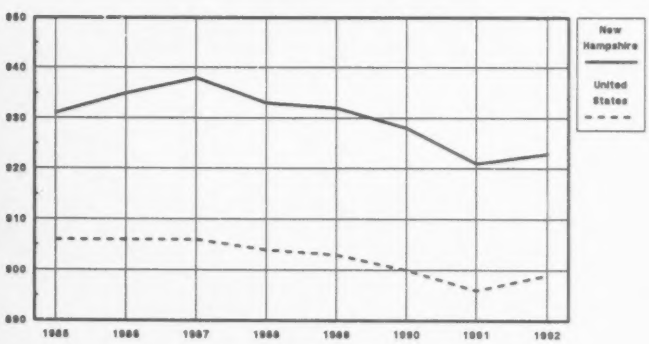


Figure 2.c: AVERAGE SAT SCORES in NEW HAMPSHIRE compared to UNITED STATES AVERAGES 1985-1992

nationally, compared with the 1991 national percentage of 27.4% The expenditure amount per pupil in average daily attendance was $5,672. When Ralph Waldo Emerson spoke of "the means of education," in his insightful quote: "The things that are taught in schools are not an education, but the means of education," he most likely was not reflecting on educational costs[2]. The means of education today are revenue source requirements and the impact that has on the local taxpayer to cover the cost of education. Local tax sources in 1991 accounted for 89.3% of education costs compared with the national average of 44.1%. This gave New Hampshire the distinction of a national number one ranking in this category (contributing the highest percent of local revenue). Once again federal and state revenue sources for education ranked our state 50th in each category (receiving the lowest amount of revenue), based on percentages of 2.8 and 7.8, respectively.

New Hampshire stayed near the top of the Scholastic Aptitude Test score competition, as students taking the test in 1992 averaged a combined score of 923, up two points from 1991 and increasing the state's national ranking to number two (1 = highest score). New Hampshire had placed number three in 1991, slipping off the coveted number one status that had been enjoyed for many years. Combined test scores are compared with states that have 40.0% or more of graduates taking the exam; this works out to be 22-24 states for comparison purposes. New Hampshire also ranked high in the percent of graduates taking the exam, placing third nationally with 76%, up one percentage point from last year[3]. The national combined SAT score average increased three points to 899. New Hampshire's margin of spread over the 1992 national score dipped by one point, adding to

an overall decline in the spread of four points since 1990. In postsecondary enrollments, fall 1992 totals for two and four year institutions reached 63,859, a slight gain on 1991's enrollment figure of 63,275. The number of degrees granted by New Hampshire colleges and universities totaled 12,747 in 1992: 2,943 associate degrees; 7,431 bachelor degrees; and 2,373 postgraduate degrees (including medical and law degrees). All levels of degrees granted in 1992 showed increases when compared with 1991 revised totals. In 1991, the revised number of degrees conferred totaled 12,014: 2,638 associate degrees; 7,073 bachelor degrees; and 2,303 graduate degrees. Based on numbers alone, the education of choice so far in the nineties is business and management with 3,760 degrees conferred in 1992. However, degrees obtained in health science jumped from 745 in 1991 to 923 in 1992, a 24% gain in one year. This increase may indicate some students are making career decisions based on occupational predictions that the health services field will experience significant growth in the nineties and beyond.

In a study based on 1990 census data and conducted by the Massachusetts Institute for Social and Economic Research at the University of Massachusetts, findings indicated that New Hampshire has a much lower percentage of college graduates than the New England average. Statewide, only 24% of residents over 25 years of age are college graduates, well below the New England rate of almost 53 percent. The study found that even though attendance is up, the number of students completing four year degrees did not increase. The concern over these findings is that New Hampshire will not have the education base to attract businesses and meet the labor force needs of the future. Included in the recommended list of solutions was adapting tuition and financial aid to "the student's ability to pay and the region's economic need for specific skills."[4]

Vocational-technical postsecondary graduates numbered 1,380 in 1992. Of that number, 202, or 14.6% opted to further their education. Those seeking and obtaining employment numbered 759 (55%) as counted six months after graduation. From the employed group, 79.4% (603) obtained jobs in New Hampshire.

Charles K. Hood

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[1] "Fewer Pupils Dropping Out of NH, Maine High Schools." ***The Union Leader***, 14 Dec. 1993: pg.4.

[2] ***Resident Expert***. Version 2.3. Computer Software. Parson's Technology, Inc., 1991. MS-DOS, 360KB disk.

[3] ***Digest of Educational Statistics 1993***. U.S. Department of Education. Oct. 1993: Table 130, pg. 129.

[4] "Study Finds NH College Graduates Are a Rare Breed." ***New Hampshire Sunday News***, 21 Nov. 1993: 6A.

3. LABOR FORCE AND UNEMPLOYMENT

The unemployment statistics in 1992 did not bode particularly well for job-seekers. It was not till summer 1993 that the impact of recovering industries showed some positive effect on the labor markets. [Unless otherwise noted all unemployment statistics are not seasonally adjusted.]

Statewide unemployment rates for 1992 averaged 7.5 percent, above the 7.2 percent recorded for 1991. The trend throughout the year was gradual improvement, from the highest rate of the year in January (7.9%) to the lowest rate in December (7.1%). Unemployment rates for 1993 have presumably peaked in March at 8.8 percent and fallen as low as 5.7 percent for September. The annual average for 1993 is expected to be lower than in either of the previous two years (below 7.2%).

New Hampshire's annual average unemployment rate of 7.5 percent was a popular rate for 1992; Connecticut, Illinois, Oregon, Pennsylvania, Texas, and Washington tied with us as 33rd lowest in the nation.

The unemployment rate for the U.S. as a whole averaged 7.4 percent in 1992, well above the 6.7 percent of the previous year. The U.S. slid into recession in the third quarter of 1990, as measured by declining Gross Domestic Product (GDP) in constant dollars. Quarterly GDP declines lasted only three quarters, through the end of March 1991. Improvement in U.S. unemployment rates has lagged the improvement in GDP, in part because of efficiency gains. National unemployment rates in 1993 have consistently been below year-earlier rates and very gradual improvement is expected to continue.

New England held steady with an annual average unemployment rate of 8.0 percent for 1991 and 1992. Monthly unemployment rates in 1993 have been lower than prior-year rates for each month since January so the yearly average is expected to finally fall below 8 percent. Summertime hiring enabled all the New England states to achieve jobless rates below 7 percent for July, and August; however, Massachusetts climbed to 7.1 percent in September with Maine and Rhode Island close behind with unemployment at 6.9 percent. The October all-New England rate was 5.8 percent, the lowest it has been since October 1990 when it was 5.3 percent. Vermont's jobless rate dropped to 3.7 percent in October, the eighth month this year that its rate was lowest in New England.

New Hampshire's monthly unemployment rates have been below the national rates for the last six months (May through October 1993, the latest month available) and we expect this to continue for November and December. Throughout 1992, our state rate had been below the national rate for six months of the twelve.

The size of the civilian labor force decreased a minimal 0.2 percent on an annual average basis from 1991 to 1992. This is the first annual decline since at least 1978, the first published year using comparable methodology. A revised version of the Current Population Survey (the monthly household survey conducted by the Census Bureau as the basis of the national and state unemployment statistics) will provide more complete and accurate data on the population's labor force activities beginning in January 1994. The reformulation of the two regression models used by the thirty-nine non-direct-use states (New Hampshire is one of these) will also provide estimates based on more sophisticated techniques. These changes will make data calculated after January 1994 not strictly comparable to estimates made before this period.

Participation in the labor force by males dropped to 79.5 percent in 1992, down from the nine-year peak of 83.2 percent

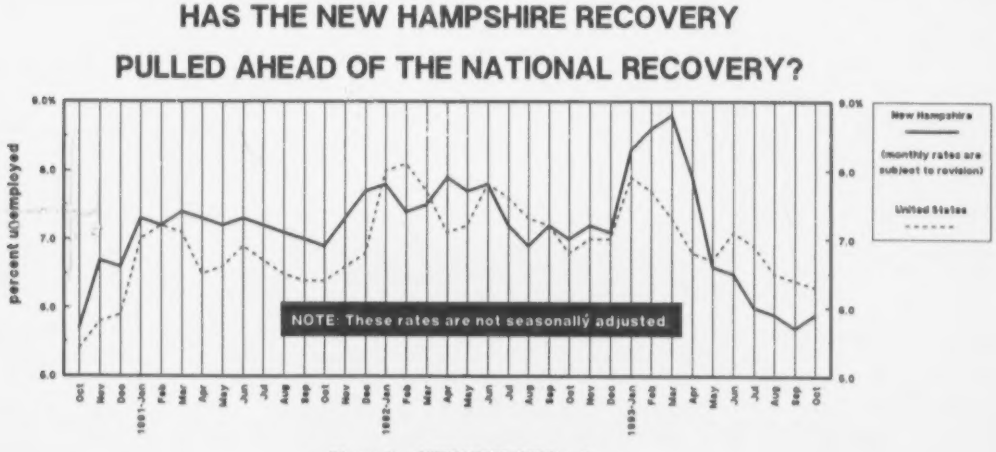


Figure 3.a: NEW HAMPSHIRE and UNITED STATES UNEMPLOYMENT RATES

achieved in 1990. This knocked us out of first place to seventh place, relative to male participation rates in other states; New Hampshire had held first place for the previous six years. Women's labor force participation also decreased from 1991 to 1992, falling 0.6 percent compared with the drop of 2.6 percent for men. The 64.9 percent of women in the population that were working or looking for work in 1992 was fourth in the nation, down from the second place ranking of the two previous years. For sixteen to nineteen year olds of both sexes, participation dropped to 58.2 percent, lower than participation rates recorded in any of the previous eight years. Some of this decline in all population groups may be attributed to discouragement at the perceived lack of job prospects. One positive outcome is that enrollment in high school and postsecondary schools has increased (see the Education section).

The percentage of people working 35 hours or more per week ("full-time") has fallen each year since 1989 to 72.1 percent of the people working. The average number of hours a full-time employee works has escalated to a nine-year high of 48.1 hours, with a whopping 28 percent working 49 hours or more per week. Conversely, part-time work employs almost 28 percent of those working, up from a nine-year low of 22.2 percent in 1985. Of these part-timers, 33,000 or 21 percent work one to 14 hours, 68,000 or 43 percent worked 15 to 29 hours, and the remaining 56,000 or 36 percent worked 30 to 34 hours in 1992. The portion of people working "part-time for economic reasons" (these people would prefer full-time if it were available) increased to 6.3 percent relative to all people employed in 1992. Women comprised about 69 percent of those employed part-time. Seventy-six percent of employed young people aged 16 to 19 years worked part-time, almost 10 percent "for economic reasons".

The number of unemployed in New Hampshire rose by only 1,000 people on an annual average basis, reaching 47,000 in 1992. This was a relief after the cumulative rise of 31,000 from 1988 to 1991. The annual average level for 1993 is expected to be below the 1992 average; this would be the first year-to-year decrease since 1987.

The unemployment rate for men equalled that of women in 1992, 7.5 percent. Men's unemployment rates had been higher than women's in 1990 and 1991 when job losses occurred in many traditionally male industries, notably construction and manufacturing. Comparisons with 1992 New England and the national unemployment annual rates for men show New Hampshire's male rate lower than both for the first time since 1989. On the other hand, the jobless rate of women was higher in New Hampshire than female unemployment in New England and the United States; the weakening of the trade and finance, insurance, and real estate sectors in 1992 contributed to more unemployment for women. Teenage (16 to 19 years) unemployment rates increased to 24.2 percent in 1992 in spite of a decline in teenagers in the labor force from 35,000 in 1991 to 29,000 in 1992.

The age groups of the unemployed indicate that the principle of "the last hired, the first fired" was operant during the recession layoffs. The percentage of those unemployed that were 20 to 24 years of age (a span of 5 years) was high relative to the older groups which encompass ten-year spans. For workers aged 20 to 34 years, 1992 showed higher unemployment than either of the two previous years.

Duration of unemployment is another indicator of how well the labor markets were working to provide jobs for those seeking them. There was some good news in that the proportion of the unemployed that found a job in less than five weeks increased from 1991 to 1992. However, the percentage of unemployed that did not have a job after 15 weeks rose from 41.7 percent in 1991 to 43.2 percent in 1992. Because of deteriorating employment conditions in other states, New Hampshire's ranking improved from 50th in 1991 to 44th in 1992 (1 = lowest percentage) for those unemployed 15 weeks or longer. The percentage for those that did not have a job after a year rose from 11.1 percent to 12.8 percent.

The reasons for unemployment shifted slightly from 1991 to 1992. Although "job loss" was reported most often as the reason for unemployment in each year since 1988, this peaked in 1991 with 68.7 percent losing jobs and eased down a notch to 64 percent in 1992. This improved New Hampshire's ranking from 50th place to 44th place in the nationwide comparison of job losers as a portion of the unemployed (1 = lowest percentage). The percentage of the unemployed "on layoff" (that part of job losers whose job loss is temporary) declined also, from almost 20 percent in 1991 to 14 percent in 1992.

WORKERS EMPLOYED PART TIME OR SEEKING PART TIME WORK GROW AS A PORTION OF THE LABOR FORCE

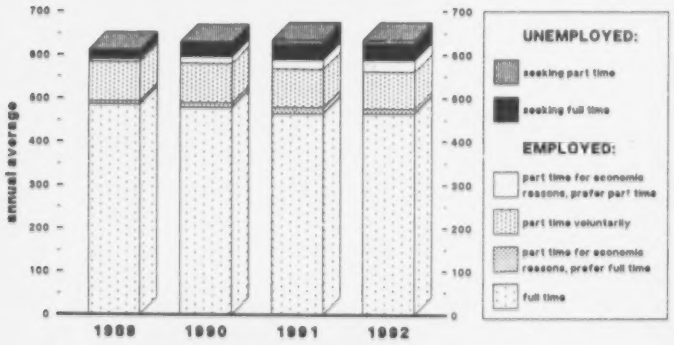


Figure 3.b: DISTRIBUTION of the NEW HAMPSHIRE LABOR FORCE by EMPLOYED/UNEMPLOYED and FULL TIME/PART TIME

LONG TERM UNEMPLOYED STILL A CONCERN IN 1992

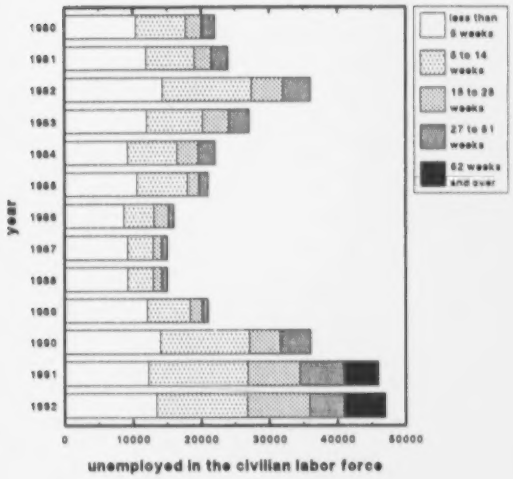


Figure 3.c: DURATION OF UNEMPLOYMENT 1980-1992
ANNUAL AVERAGES from CURRENT POPULATION SURVEY

Job-seekers entering the labor force for the first time and those reentering increased as a portion of the unemployed, from 24.4 percent in 1991 to 28.6 percent in 1992.

Unemployment data by industry shows that 18.0 percent of the workers that were experienced and working in or looking for work in the construction industry were unemployed in 1992 (but this was down from over 19% in 1991). Nondurable goods manufacturing has sustained higher unemployment rates than durable goods production from 1989 through 1992. Unemployment rates in the above-named industries, in trade (9.0%) and in finance, insurance, and real estate (8.4%) are consistent with employment declines in the sectors hard-hit by the recession.

Occupational unemployment estimates indicate consistently less unemployment in the "management and professional specialty" grouping and the "technicians and related support" grouping than in the other groupings for 1989 through 1992. Construction cutbacks are evident in the high unemployment in "precision production, craft, and repair" grouping (above 8% 1990 through 1992) and the "handlers, equipment cleaners, helpers, and laborers" grouping (above 10% for the same time frame). All groupings reflect the increased unemployment from 1989, however many groups seem to have peaked in 1991 and are slightly lower for 1992.

UNEMPLOYMENT INSURANCE

As with other unemployment indicators, 1991 was the peak year for the number of weeks compensated for unemployment also, including only the regular insurance program covering private employers and state and local government. The number of weeks compensated for 1992, 468,274, was lower than the 1991 level (663,951) and even the 1990 total (477,320). It was, however, more than twice the 1989 total.

In a similar pattern, the benefits paid decreased substantially from 1991 to 1992, declining from $90,307,000 to $64,734,000. One contributing factor to this decline was the reduction in the average duration of the benefit payment from 12.38 weeks in 1991 to 11.73 weeks in 1992. This helped New Hampshire improve its status in the U.S. rankings, from 12th lowest in 1991 to 5th lowest in 1992, with the national average duration at 16.24 weeks in 1992.

Average benefits paid per covered worker shows how much was paid out in benefits for each employee covered by unemployment insurance. The annual data showed a drop from $179.44 in 1991 to $131.99 in 1992. The national average was $240.24 for 1992 and New Hampshire moved from 25th lowest (in 1991) to 10th lowest.

The average weekly benefit amount, the average amount an unemployment claimant received weekly, increased 3.9 percent from 1991 to 1992, while the national benefit amount grew 2.2 percent over the year. With its benefit amount averaging $135.55 weekly, New Hampshire was still well below the U.S. average of $173.64.

The taxes collected from employers for unemployment insurance become part of the Unemployment Compensation Fund

LABOR FORCE SHIFTS SIGNAL IMPROVING ECONOMY - FEWER JOB LOSERS WHILE NEW ENTRANTS AND REENTRANTS JUMP IN SEEING HOPE FOR EMPLOYMENT

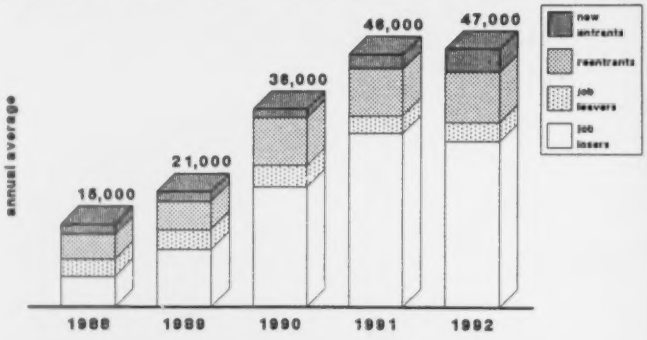


Figure 3.d: DISTRIBUTION OF THE NEW HAMPSHIRE
UNEMPLOYED BY THE ORIGIN OF THEIR JOBLESSNESS

3. LABOR FORCE AND UNEMPLOYMENT	1989	1990	1991	1992	Source
CIVILIAN LABOR FORCE (annual average)	610,000	631,000	635,000	633,000	BLS
Annual percent change	2.0%	3.4%	0.6%	-0.3%	DES/BLS
Male participation rate	82.7%	83.2%	81.6%	79.5%	BLS
United States rank	1	1	1	7	BLS
Female participation rate	63.6%	65.2%	65.3%	64.9%	BLS
United States rank	4	2	2	4	BLS
Work 35 hours or more per week	77.6%	74.4%	74.2%	72.1%	BLS
Work part-time for economic reasons	2.5%	4.4%	6.1%	6.3%	BLS
United States rank (including D.C.)	Tie 4	Tie 23	Tie 40	Tie 38	
UNEMPLOYED (annual average)	21,000	36,000	46,000	47,000	BLS
Unemployment rate (annual average)					
New Hampshire	3.5%	5.7%	7.2%	7.5%	BLS
United States rank (1=lowest)	Tie 3	Tie 30	Tie 37	Tie 33	BLS
New England	3.9%	5.7%	8.0%	8.0%	BLS
United States	5.2%	5.5%	6.7%	7.4%	BLS
Men					
New Hampshire	3.3%	5.9%	7.8%	7.5%	BLS
New England	4.1%	6.2%	8.8%	9.1%	BLS
United States	5.2%	5.6%	7.0%	7.8%	BLS
Women					
New Hampshire	3.8%	5.3%	6.5%	7.5%	BLS
New England	3.6%	5.0%	7.0%	6.7%	BLS
United States	5.4%	5.4%	6.3%	6.9%	BLS
Teenagers(16-19)					
New Hampshire	12.8%	12.6%	22.0%	24.2%	BLS
New England	12.3%	14.2%	17.3%	17.4%	BLS
United States	15.0%	15.5%	18.6%	20.0%	BLS
By age group as a percentage of the unemployed [1]					
Number of unemployed	21,000	36,000	46,000	47,000	BLS
16-19 years	23.8%	13.9%	17.4%	14.9%	BLS/DES
20-24 years	NA	16.7%	15.2%	17.0%	BLS/DES
25-34 years	NA	22.2%	21.7%	27.7%	BLS/DES
35-44 years	NA	22.2%	17.4%	21.3%	BLS/DES
45-54 years	NA	13.9%	15.2%	12.8%	BLS/DES
55-64 years	NA	5.6%	10.9%	6.4%	BLS/DES
65+ years	NA	2.8%	2.2%	2.1%	BLS/DES
Percent of total unemployed:					
Unemployed 15 weeks or more	12.6%	24.9%	41.7%	43.2%	BLS
United States rank (of 51, 1=lowest)	Tie 1	39	50	44	BLS
Unemployed because lost job	49.7%	60.6%	68.7%	64.0%	BLS
United States rank (1=lowest)	40	Tie 50	51	43	BLS
Unemployment by industry					
Construction	7.8%	14.5%	19.4%	18.0%	BLS
Manufacturing	3.6%	5.6%	7.6%	6.7%	BLS
Durable goods	3.1%	4.8%	7.6%	5.9%	BLS
Nondurable goods	4.8%	8.0%	7.9%	9.0%	BLS
Transportation, communication, and utilities	0.8%	3.3%	3.6%	3.2%	BLS
Trade	4.3%	6.4%	8.2%	9.0%	BLS
Finance, insurance, and real estate	2.0%	5.0%	6.6%	8.4%	BLS
Services	3.0%	5.6%	6.2%	6.3%	BLS
Government	1.5%	2.2%	2.8%	3.8%	BLS
Unemployment by selected occupations					
Management and professional specialty	1.8%	2.8%	4.4%	3.8%	BLS
Technicians and related support	3.5%	3.6%	4.2%	3.6%	BLS
Sales	2.9%	3.6%	4.1%	6.7%	BL
Administrative support, including clerical	2.3%	5.3%	5.5%	7.5%	BLS
Service occupations	4.1%	7.7%	7.8%	7.7%	BLS
Precision production, craft, and repair	4.4%	8.2%	9.4%	8.3%	BLS

3. LABOR FORCE AND UNEMPLOYMENT (Continued)	1989	1990	1991	1992	Source
Machine operators, assemblers, and inspectors	4.9%	6.7%	11.7%	9.3%	BLS
Transportation and material moving	1.4%	7.3%	8.9%	6.8%	BLS
Handlers, equipment cleanrs, helprs, laborers	6.1%	10.0%	16.8%	12.4%	BLS
UNEMPLOYMENT INSURANCE					
Weeks compensated for unemployment (UI)	213,033	477,320	663,951	468,274	DES
Benefits paid,unemployment insurance (000)	$30,130	$65,481	$90,307	$64,734	DES
Average duration,benefit payments(weeks)	6.65	9.86	12.38	11.73	UIS
United States average	13.35	13.44	15.40	16.24	UIS
United States rank (1=lowest)	1	7	12	5	
Average benefits paid per covered worker	$69.28	$120.47	$179.44	$131.99	UIS
United States rank (including, D.C., 1=lowest)	8	21	25	10	
National average	$158.30	$170.09	$242.11	$240.24	UIS
Average weekly benefit amount					
New Hampshire	$127.22	$128.42	$130.45	$135.55	UIS
United States	$151.76	$161.55	$169.88	$173.64	UIS
LABOR DISPUTES					
Number	2	0	1	0	DES
Employees involved	2,350	0	83	0	DES

[1] *Data may not meet BLS publication standards*

and benefits are paid to those eligible out of this fund. In March 1992, the Unemployment Compensation Fund hit its lowest point since July 1985, at $111.7 million. The peak, $202 million, had been reached in November 1989. The fund was back up to $127.9 million by December 1992 and continued upward to $163.9 million in October 1993, the latest month available. Several factors are responsible for this rebounding of the Fund. First, a discount for employers, called the Fund Balance Reduction, was phased out gradually through July 1992. (The Fund Balance Reduction will be restored by increments of 0.5% once the Fund reaches $200 million, $225 million, and $250 million.) The other factor responsible for improvement in the Fund Balance other than that of the improving economic climate, was change in the administration of the Emergency Unemployment Compensation (EUC) program. By the guidelines introduced in March 1993, claimants were allowed to opt for either regular state benefits or the emergency federal benefits, whichever was higher or fit their needs better, with the same job search requirements for either program. Many claimants chose to use their EUC benefits first, for the 20 weeks allowed, thus saving their regular benefits to use later if they were still unemployed. EUC funding for benefit payments was not taken from the Unemployment Compensation Fund, allowing the Fund to build over the summer of 1993.

UNEMPLOYMENT RATES FELL FOR MOST OCCUPATIONAL GROUPS IN 1992 THOUGH NOT FOR SALES AND ADMINISTRATIVE SUPPORT

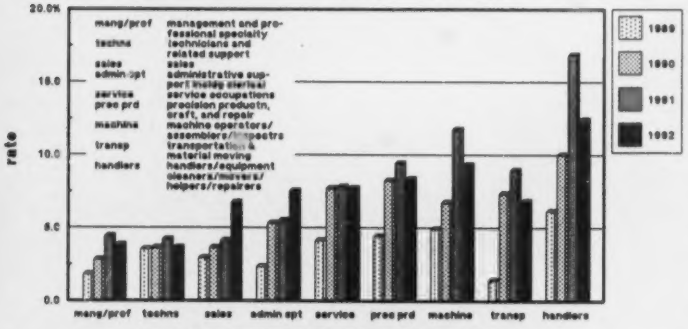


Figure 3.e: UNEMPLOYMENT RATES of VARIOUS OCCUPATIONAL GROUPS in NEW HAMPSHIRE 1989-1992 from CURRENT POPULATION SURVEY ESTIMATES

Beginning on January 1, 1994, employers will have to pay taxes on the first $8,000 of wages paid to each employee (termed the taxable wage base). Through 1993, the taxable wage base has been $7,000. This is another part of the overall plan to ensure the fiscal soundness of the Unemployment Compensation Fund.

Ricia Velasco

4. EMPLOYMENT BY INDUSTRY

New Hampshire employment in the nonagricultural wage and salary series made a comeback between 1991 and 1992 gaining 3,200 jobs, an increase of 0.7 percent. This increase in total employment follows two consecutive years of declines. New Hampshire's recent employment gain does not make up for the 47,000 jobs lost during 1990 and 1991, but the small increase is a bright spot on the horizon. Preliminary data for the January through September months of 1993 continue to indicate a rise in employment for the state. The increase in 1992 and the expected increase in 1993 reinforces the impression that the recession is over and recovery is on its way. The New England area did not fare as well as New Hampshire in 1992, as it suffered another loss of employment (down 1.3 %). Massachusetts and Connecticut lead the New England States in employment level declines. The United States had a slight employment increase of 0.2 percent.

2-YEAR NEW HAMPSHIRE EMPLOYMENT DROUGHT ENDS!

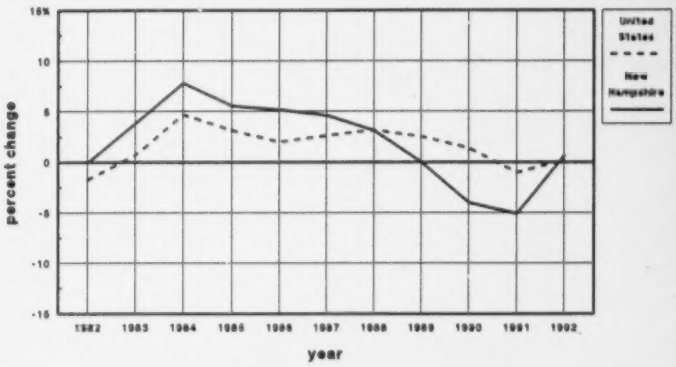


Figure 4.a: TOTAL NONAGRICULTURAL EMPLOYMENT CHANGE from PREVIOUS YEAR U.S. vs NEW HAMPSHIRE

Of all the major industry groupings in the nonagricultural wage and salary employment series, for New Hampshire, construction and mining was the hardest hit, percentage-wise, with a drop of 5.1 percent or 900 jobs from 1991 to 1992. Services employment was the big gainer with an increase of 2.6 percent or 3,300 more jobs.

Manufacturing employment continued its decline throughout 1992, albeit at a much slower pace than in the past three years. Manufacturing employment averaged 97,300 in 1992, and has not been over 100,000 since January 1991 after almost fourteen years of constant six figure employment. The loss of 900 manufacturing jobs between 1991 and 1992 was a result of a drop of 1,100 jobs in the durable goods industries combined with a gain of 200 jobs in the nondurable goods industries. Although the growth in the latter category was minimal, it is the first increase in four years. The pattern of slow growth in the nondurable goods sector and loss in the durable goods sector has continued into the first nine months of 1993. New Hampshire's manufacturing employment, which decreased by 0.9 percent between 1991 and 1992, was substantially more stable than the New England States, where manufacturing employment decreased by 4.0 percent for the same time period, and the United States, where employment decreased by 2.0 percent. At least in this major industry group, New Hampshire is holding its own when compared with New England and the nation.

NEW HAMPSHIRE NONAG JOBS GROW IN 1992 WHILE OTHER NEW ENGLAND STATES FLOUNDER

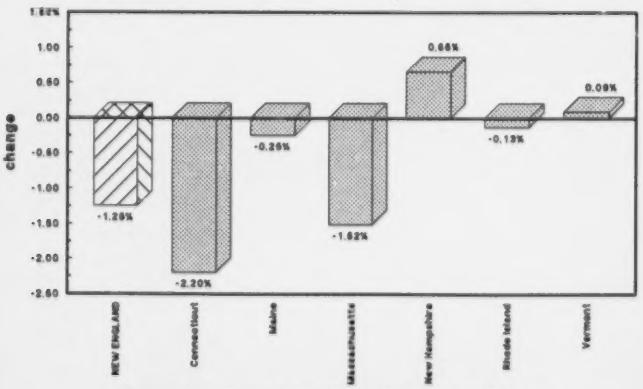


Figure 4.b: 1991-92 CHANGE in NUMBER OF JOBS in NONAGRICULTURAL EMPLOYMENT, NEW ENGLAND STATES

Employment in the construction industry started 1992 with only 14,100 people but gained strength as the year progressed and finished with a December employment level of 16,000. This may not seem like much but it is the first time since 1988 that construction employment in the last month of the year was greater than the first month of the year. The employment figures that are available for 1993 are showing the same trend. This two year trend is an indication that the construction industry is beginning its comeback. Employment in the construction industry

SERVICES & TRADE DIVISIONS POWER HIKE IN TOTAL WHILE THREE DIVISIONS CONTINUE TO LOSE JOBS

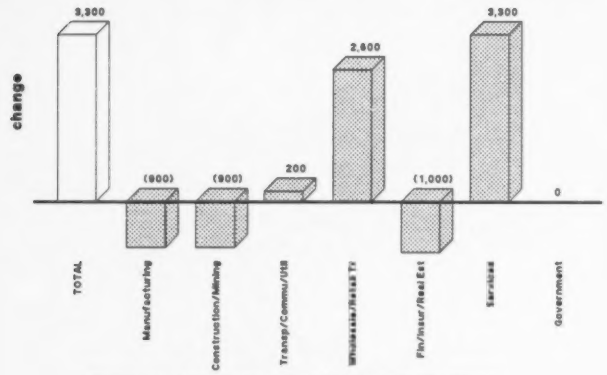


Figure 4.c: 1991-92 CHANGE in NUMBER OF JOBS in NH NONAGRICULTURAL EMPLOYMENT by INDUSTRY

had suffered annual average losses of as high as 25.4 percent in 1990.

After three successive years of annual average employment losses in transportation, communications, and public utilities, 1992 had a 1.2 percent increase over 1991. The preliminary data for the first nine months of 1993 indicate that the employment growth that occurred in 1992 is continuing at about the same pace. On a nationwide basis, this industry experienced its second consecutive annual average decrease. This scenario had not occurred since the early 1980s. A decrease of 0.5 percent between 1990 and 1991 was augmented with another decrease of 0.9 percent between 1991 and 1992.

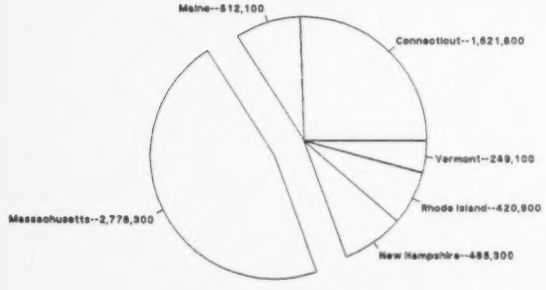
Wholesale and retail trade employment, after two years of decline, exhibited an increase of 2.2 percent or 2,600 jobs. The increase in trade employment was solely in the retail trade sector with the wholesale trade sector remaining stable. The trade industry is still experiencing the effects of mixed consumer confidence and the resulting spending habits. Compared with the national growth estimate of only 0.1 percent, New Hampshire fared much better.

Finance, insurance, and real estate employment continued its decline between 1991 and 1992. This industry is still suffering the effects of the recent recession. Real estate sales are still somewhat sluggish, the banking industry continues to be under the burden of business and personal bankruptcies, and the fate of employment in the insurance industry remains uncertain pending new federal legislation, especially with regard to health care. The percentage decline in New Hampshire (-3.3%), the third decline in as many years, was triple the national average. The preliminary data for the first nine months of 1993 continue to indicate a falling in the employment level, although the decrease thus far is very small.

Employment in the services industries, as stated earlier, was the leading gainer in the number of jobs created (up 3,300) throughout the calendar year 1992. This increase more than eliminates the loss of 2,400 jobs that occurred between 1990 and 1991. Nearly one-third of the employment in the services industries is in the health sector. This industry is in a state of flux as health care procedures are currently experiencing some major changes. Until health care reforms are finalized and in place, employment levels in this industry will continue to fluctuate and have an impact on the services industry as a whole. On a nationwide basis, the percent of employment change between 1991 and 1992 was comparable to New Hampshire.

Doris Lachance

NEW HAMPSHIRE EMPLOYERS HAVE 8.1 PERCENT OF THE NEARLY SIX MILLION NONAG JOBS IN NEW ENGLAND



1992 New England total 6,967,300

Figure 4.d: JOBS in NONAGRICULTURAL EMPLOYMENT 1992 AVERAGES for the NEW ENGLAND STATES

4. EMPLOYMENT BY INDUSTRY	1989	1990	1991	1992	Source
NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT					
ANNUAL EMPLOYMENT AVERAGES (1992 preliminary)					
All industries	529,100	508,000	482,100	485,300	DES
Goods producing	144,300	128,500	115,900	114,100	DES
Durable goods manufacturing	78,600	73,500	67,600	66,500	DES
Industrial & commercial machinery & computer equipment	24,300	22,900	21,500	20,400	DES
Electronic/electrical equipment & components except computer	15,200	14,600	13,300	13,300	DES
Nondurable goods manufacturing	35,000	32,100	30,600	30,800	DES
Construction and mining	30,700	22,900	17,700	16,800	DES
Service Producing	384,800	379,600	366,200	371,200	DES
Transportation, communications, public utilities	18,200	17,900	16,900	17,100	DES
Wholesale and retail trade	137,200	129,400	120,900	123,500	DES
Finance, insurance, and real estate	32,400	31,500	30,400	29,400	DES
Services	125,900	128,000	125,600	128,900	DES
Federal, state, and local government	71,200	72,700	72,400	72,400	DES
ANNUAL EMPLOYMENT PERCENT CHANGES					
All industries					
New Hampshire	0.0%	-4.0%	-5.1%	0.7%	DES
New England	0.0%	-3.2%	-5.1%	-1.3%	BLS
United States	2.6%	1.4%	-1.1%	0.2%	BLS
Manufacturing					
New Hampshire	-3.6%	-7.0%	-7.0%	-0.9%	DES
New England	-3.6%	-6.2%	-6.6%	-4.0%	BLS
United States	0.4%	-1.6%	-3.5%	-2.0%	BLS
Durable goods					
New Hampshire	-3.2%	-6.5%	-8.0%	-1.6%	DES
United States	0.3%	-2.5%	-4.9%	-3.1%	BLS
Construction and Mining					
New Hampshire	-16.1%	-25.4%	-22.7%	-5.1%	DES
United States	0.9%	-0.6%	-8.4%	-4.4%	BLS
Transportation, Communications, Public Utilities					
New Hampshire	-1.1%	-1.6%	-5.6%	1.2%	DES
United States	2.0%	3.0%	-0.5%	-0.9%	BLS
Wholesale and Retail Trade					
New Hampshire	1.0%	-5.7%	-6.6%	2.2%	DES
United States	2.4%	0.4%	-1.6%	0.1%	BLS
Finance, Insurance, and Real Estate					
New Hampshire	0.3%	-2.8%	-3.5%	-3.3%	DES
United States	0.6%	0.6%	-0.9%	-1.1%	BLS
Services					
New Hampshire	5.4%	1.7%	-1.9%	2.6%	DES
United States	5.5%	3.8%	1.4%	2.5%	BLS
Federal, State, and Local Government					
New Hampshire	3.6%	2.1%	-0.4%	0.0%	DES
United States	2.3%	3.0%	0.5%	1.4%	BLS
HIGH TECHNOLOGY EMPLOYMENT & WAGES					
Number of employing units (4th quarter)	3,596	3,187	3,670	3,887	DES
Average annual employment	82,855	77,631	72,053	70,149	DES
Total wages (millions of dollars)	$2,614.7	$2,652.6	$3,003.7	$2,720.8	DES
Average weekly wages	$607.09	$657.56	$800.67	$746.12	DES

5. ESTABLISHMENTS IN PRIVATE INDUSTRY

MORE FIRMS OPEN THAN CLOSE IN 1992

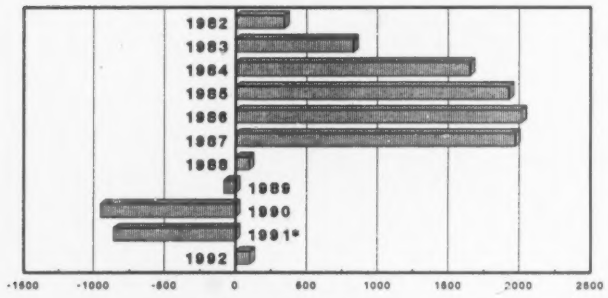


Figure 5.a: PRIVATE COVERED FIRMS with EMPLOYEES 3D QUARTER to 3D QUARTER CHANGE, 1982-1992

New Hampshire's emergence from the recession that had crippled our economy from 1989 through 1991 was evident in the increase in the number of private employers that were operational in our state during 1992. Although the rise was minimal, only 104 more employers covered by unemployment compensation laws, the increase was the first to occur in three years. The small firms, 1 to 4 employees, was the size grouping with the largest increase in the number of firms (+62) between 1991 and 1992. The size grouping of 5 to 9 employees had the largest decrease in the number of firms that were open for business (-10). Some of these shifts in the number of firms in a particular size group may be attributable to a change in the size of the firm as opposed to the firm closing its operation in New Hampshire. [A note of caution about these statistics is that the 1989 and 1990 data is based on August data and the 1991 and 1992 data is based on September information. A new method for compiling size of firm information allows for more detailed statistics and will be used henceforth.]

The number of construction companies, as one would suspect because of the recent recession, suffered its fifth consecutive year of decline. In conjunction with that, the number of firms in the finance, insurance, and real estate sector experienced its fourth consecutive year of decline. Due to the nature of both of these industries, the trend for the number of firms and the employment level are very similar. As either industry expands or contracts, so does the other.

The number of manufacturing firms remained relatively unchanged indicating that this industry has somewhat stabilized. The increase in the number of trade and services oriented companies is also an indication that the recession is over and consumer confidence is on the rebound. If the average consumer remains confident in the retainment of his/her employment, then the trade and services industries will continue to grow.

Preliminary data for 1993 indicates that the number of companies covered by unemployment compensation laws in New Hampshire, and the number of people they employ, is continuing the slow and steady growth that began in 1992.

Doris Lachance

NEW SERVICES AND TRADE FIRMS OFFSET CLOSINGS AMONG CONSTRUCTION FIRMS AND FINANCE, INSURANCE, AND REAL ESTATE FIRMS

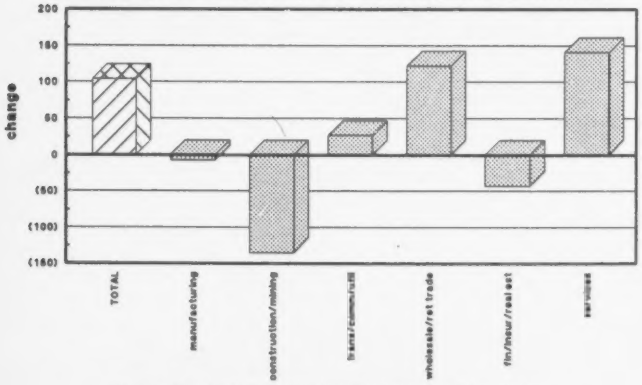


Figure 5.b: 1991-92 CHANGE in NUMBER OF FIRMS in PRIVATE COVERED EMPLOYMENT from SEP'91 - SEP'92

5. ESTABLISHMENTS IN PRIVATE INDUSTRY	1989	1990	1991	1992	Source
TOTAL NUMBER OF UNITS with employment *	29,516	28,562	27,705	27,809	DES
1 - 4 employees	15,598	15,478	15,427	15,489	DES
5 - 9 employees	6,194	5,873	5,640	5,630	DES
10 - 49 employees	6,241	5,823	5,382	5,425	DES
50 - 249 employees	1,277	1,194	1,068	1,078	DES
250 - 999 employees	173	163	153	151	DES
1,000 & over employees	33	31	35	36	DES
NET ANNUAL CHANGE IN NUMBER OF UNITS	-78	-954	-857	104	DES
PERCENT OF TOTAL EMPLOYMENT (by size of firm) *					
1 - 4 employees	7.1%	7.4%	7.7%	7.7%	DES
5 - 9 employees	8.8%	8.7%	9.0%	8.8%	DES
10 - 49 employees	27.0%	26.3%	25.5%	25.7%	DES
50 - 249 employees	26.6%	26.5%	24.9%	25.1%	DES
250 - 999 employees	16.3%	16.8%	16.5%	16.4%	DES
1,000 & over employees	14.2%	14.3%	16.4%	16.3%	DES
ESTABLISHMENTS WITH 100 OR MORE WORKERS					
New Hampshire - Percentage	1.98%	1.95%	2.00%	2.04%	CB/DES
United States rank	32	33	N.A.	N.A.	CB
Connecticut - Percentage	2.38%	2.37%	2.28%	N.A.	CB
United States rank	14	14	N.A.	N.A.	CB
Maine - Percentage	1.60%	1.63%	1.53%	N.A.	CB
United States rank	42	43	N.A.	N.A.	CB
Massachusetts - Percentage	2.76%	2.72%	2.65%	N.A.	CB
United States rank	2	2	N.A.	N.A.	CB
Rhode Island - Percentage	2.12%	2.08%	2.07%	N.A.	CB
United States rank	27	31	N.A.	N.A.	CB
Vermont - Percentage	1.28%	1.27%	1.23%	N.A.	CB
United States rank	48	49	N.A.	N.A.	CB
NEW INCORPORATIONS					
New Hampshire establishments	2,945	2,679	2,528	2,577	SST
Out-of-State establishments	1,000	951	832	920	SST
NEW OR EXPANDED MANUFACTURING					
New firms: Number of companies	29	28	56	46	OID
Floor space (1000 square feet): Total	521	340	372	527	OID
Existing firms: Number	46	18	N.A	N.A.	OID
Additional floor space (1000 square feet): Total	812	149	N.A	N.A.	OID
EMPLOYMENT IN NEW & TERMINATED FIRMS					
New establishments	4,002	3,925	3,863	3,931	DES
Total employment	12,246	15,207	17,642	16,698	DES
Terminated firms	3,682	3,796	3,082	2,748	DES
Total employment	13,586	11,631	8,205	6,890	DES

* *1989 & 1990 based on August data;*
1991 & 1992 based on September data

6. ENERGY

There was very little change in New Hampshire's energy picture in 1992. The state continued to retain its low rate of per capita energy consumption in spite of our harsh winters and humid summers. With some of the highest energy prices in the country, our residents have learned to conserve. High prices also dissuade energy intensive industries from locating here. Industrial use of energy here is relatively low (see Figure 6.a). The portion of energy used by the industrial sector in New Hampshire is almost a third smaller than for the United States as a whole.

HIGH PRICES LIMIT INDUSTRIAL ENERGY USE
CLIMATE REQUIRES HIGH RESIDENTIAL USE

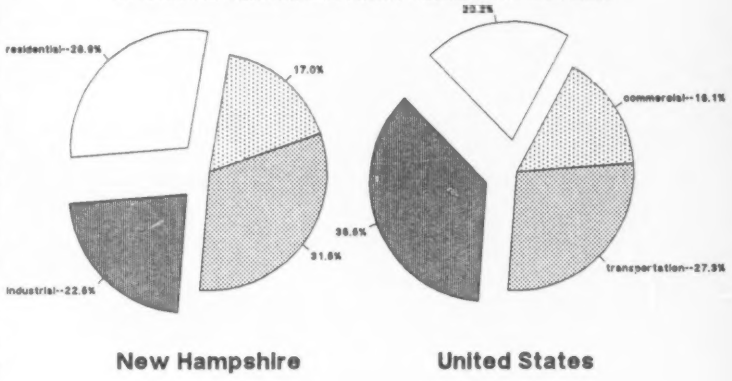


Figure 6.a: ENERGY USE by SECTOR in 1991
NEW HAMPSHIRE vs UNITED STATES AVERAGE

The residential sector responded to the oil embargo of the nineteen seventies and the high prices that followed with a sharp curtailing of energy demand. It wasn't until 1989 that residential use surpassed the peaks of the late seventies, in spite of steady population growth through the eighties. Both industrial and residential use showed sharp drops in response to the flagging economy in 1989 and 1990 (see Figure 6.b).

Pressure from the state's elected officials, the courts, and the Public Utilities Commission, combined with increased competition from other energy sources and an energy glut caused by recession-slackened demand, continue to limit electricity price increases by the state's two largest producers to no more than the 5.5 percent increases of the seven-year fixed rate agreement. This was established in 1989 and is in effect until May 31, 1997. Although 5.5 percent exceeded the annual rate of inflation in 1991 and 1992 and that anticipated for 1993, there is a certain comfort level in knowing that rate increases will remain within certain limits. Users are better able to plan for increases in electricity costs.

New Hampshire's largest electric utility has had to lay off personnel in recent months in order to respond to competitive demands. Energy prices in the state continue to rank among the highest of the fifty states. However, electricity prices dropped from fourth to ninth highest in 1991, the latest year for which energy price data is available from the U.S. Energy Information Agency.

RESIDENTIAL ENERGY USE FELL SHARPLY AFTER 1989
WHEN IT REACHED LATE NINETEEN SEVENTIES LEVELS

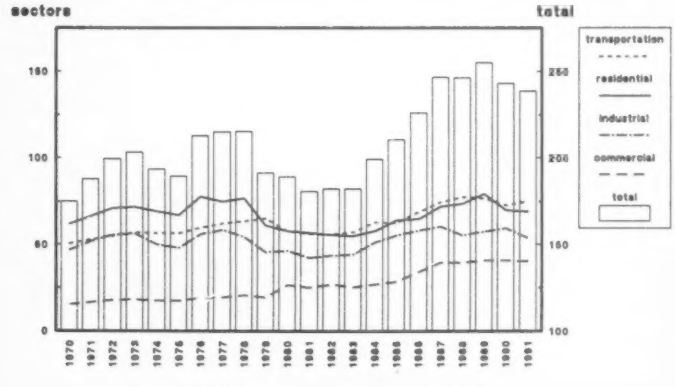


Figure 6.b: NEW HAMPSHIRE ENERGY USE
BY SECTOR 1970-1991

In spite of its high price, oil is still the primary energy source in the state (Figure 6.c). New Hampshire's petroleum prices are relatively low compared to the other states. New Hampshire petroleum prices, by rising just three cents per million BTUs from 1990 to 1991, jumped from 42nd to 35th highest in the nation. Prices of those petroleum products in the greatest use (measured either by trillion BTUs or by thousands of gallons) - motor gasoline, distillate fuels, and residual fuels - all fell, however. By the end of 1993, heating oil prices, adjusted for inflation were the lowest they had been since 1976 according to a survey conducted by the Governor's office of Energy and Community Services.

6. ENERGY	1989	1990	1991	1992	Source
ELECTRICAL ENERGY PURCHASED					
Sales to Ultimate Customers (million KWH)					
New Hampshire:					
Total	8,744	8,648	8,640	8,640	EC
Percent change	2.7%	-1.1%	-0.1%	0.0%	
Residential	3,548	3,449	3,419	3,428	EC
Percent change	2.3%	-2.8%	-0.9%	0.3%	
Commercial	2,014	2,004	2,030	2,077	EC
Percent change	3.9%	-0.5%	1.3%	2.3%	
Industrial	3,079	3,089	3,080	3,019	EC
Percent change	2.5%	0.3%	-0.3%	-2.0%	
New England:					
Total	104,490	104,075	103,231	103,725	EC
Percent change	2.0%	-0.4%	-0.8%	0.5%	
Residential	38,415	37,696	37,375	37,712	EC
Percent change	1.8%	-1.9%	-0.9%	0.9%	
Commercial	37,045	37,502	37,648	37,851	EC
Percent change	3.4%	1.2%	0.4%	0.5%	
Industrial	27,042	26,895	26,236	26,104	EC
Percent change	0.5%	-0.5%	-2.5%	-0.5%	
NET ENERGY GENERATED (millions KWH)	7,125	10,810	12,705	13,451	EC
As percentage of energy purchased	81.5%	125.0%	147.0%	155.7%	EC
As percentage of total generated by type					
Hydroelectric	15.3%	10.6%	9.4%	7.2%	EC
Fossil fuel	84.5%	48.6%	37.2%	34.3%	EC
Nuclear	—	37.8%	53.4%	58.5%	EC
ENERGY EXPENDITURES PER CAPITA ($ per capita)	$1,681	$1,777	$1,727	N.A	EIA
United States rank	37	39	40	N.A	EIA
ENERGY PRICES (dollars per million btu)	$10.39	$11.30	$11.08	N.A	EIA
United States rank	3	5	4	N.A	EIA
Petroleum Prices (dollars per million btu)	$6.57	$7.27	$7.30	N.A	EIA
United States rank	35	42	35	N.A	EIA
Electric prices (dollars per million btu)	$24.49	$26.67	$26.76	N.A	EIA
United States rank	6	5	9	N.A	EIA
ENERGY CONSUMPTION					
Total consumption (trillion BTUs)	250.3	243.0	238.7	N.A	EIA
Annual percent change	3.5%	-2.9%	-1.8%	N.A	
United States Rank (percent change)	14	36	36	N.A	
Types of energy consumption (percent of total)					
Residential	31.7%	28.8%	28.9%	N.A	EIA
Commercial	16.4%	16.8%	17.0%	N.A	EIA
Industrial	23.0%	24.4%	22.5%	N.A	EIA
Transportation	30.6%	30.0%	31.5%	N.A	EIA
Energy consumption per capita (million BTU)	226.2	219.0	216.2	N.A	EIA
United States rank (including D.C.)	49	49	49	N.A	EIA
Net electricity coming into State (trillion BTU)	24.1	-18.9	-49.4	N.A	EIA
FUEL CONSUMED TO GENERATE ELECTRICITY					
In equivalent barrels of oil					
New Hampshire total (thousand barrels)	9,340	14,773	18,242	19,636	EC
Oil	5,135	4,020	2,704	2,315	EC
Coal	4,201	4,153	4,500	4,532	EC
Gas	4	—	—	106	EC
Nuclear	—	6,599	11,038	12,683	EC

PETROLEUM DOMINATES NEW HAMPSHIRE ENERGY CONSUMPTION

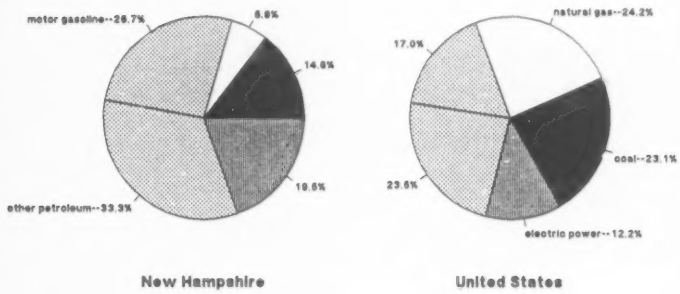


Figure 6.c: 1991 NH and US ENERGY CONSUMPTION by TYPE of FUEL in TRILLION Btu's

Preliminary estimates show New Hampshire electrical energy purchases to be virtually unchanged for the second straight year. Industrial purchases declined for the second year in a row while residential purchases rose after two years of decline. Commercial electricity purchases increased in 1992 as they had in 1991.

Although instate electricity purchases were little changed, net electrical energy generated grew as our electricity exports to other states continued to expand. The portion of the state's electricity production generated by the nuclear power plant at Seabrook increased to nearly 60 percent in 1992 as both fossil fuel and hydro generation slipped. Oil, which was the predominate fuel used to generate electricity prior to the coming on line of the Seabrook plant in 1990, immediately slipped to third place behind coal. Oil use has continued to slip each year since as coal use has increased. Gas gained a share as a fuel for electric generators in 1992.

Peter S. Bartlett

7. PRODUCTION

The total market value in current dollars of all goods and services produced in New Hampshire (gross state product) as estimated by the Public Service Company of New Hampshire exceeded twenty-six point five million dollars in 1992[1]. This represented a growth of just 1.6 percent. This was, however on top of a larger increase from 1990 to 1991, based on revised estimates. Still, in 1987 constant dollars, gross state product dropped by 1.0 percent[2]. This is the fourth straight year that real GSP has dropped. The new 1991 estimate showed that year's drop to be less steep than had been previously thought. With employment levels climbing in 1993 and inflation continuing to be near three percent or less we can hope that a modest upturn in the state's output of goods and services in 1993 will translate into an increase in real gross state product, although it is likely to be small.

IN SPITE OF SLOWING INFLATION SLUGGISH GROWTH YIELDS CONTINUED DROP IN REAL GROSS STATE PRODUCT

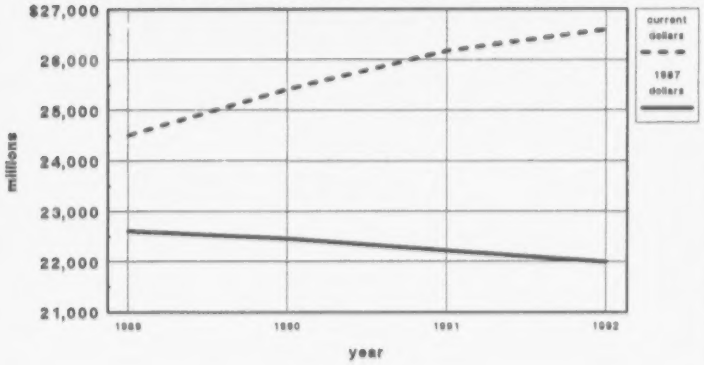


Figure 7.a: GROSS STATE PRODUCT CURRENT DOLLARS VS. 1987 DOLLARS

Value added by manufacture increased by nearly 80 million dollars in 1991 (the latest year for which data is available). This marks the first increase since value added peaked at $8,188.6 million in 1987. Value added data is based on the Census of Manufacturers which is conducted by the U.S. Census Bureau every five years. Between censuses, an annual sample-based Survey of Manufacturers is conducted to make interim estimates. The latest Census was in 1987. Subsequent numbers are all estimates based on a sample of employers.

Based on these estimates, value added per payroll dollar in New Hampshire, Massachusetts, and Rhode Island increased while for the U.S. and the other three New England states it continued to decline in 1991. New Hampshire and the three southernmost New England states rank near the bottom in value added per payroll dollar, at least in part, because of relatively high wages.

Value added by the Industrial and Commercial Machinery and Computer Equipment industries and the Electronic and Other Electrical Equipment and Components, except Computer Equipment industries groups increased in 1991 while value added by the Measuring, Analyzing, and Controlling Instruments; Photographic, Medical and Optical Goods; Watches and Clocks industries group declined. The latter group includes major New Hampshire defense contractors plus some suppliers to the automobile industry. It was not a good year in 1991 for the U.S. auto industry. Things began to improve for the domestic auto industry in 1992 and 1993. The defense industry however should continue to decline as the "peace dividend" will redirect Federal funds to other areas of priority. This is reflected in the steady decline in the value of defense contracts to New Hampshire firms.

The value of New Hampshire manufacturer's shipments increased by $42.7 million. The total of $9,770.5 million in 1991 was far short of the $12,214.2 million in 1987.

Peter S. Bartlett

[1] Public Service Company of New Hampshire, ***New Hampshire 1992 Economic Review***, p 25.
[2] Ibid, p 26.

7. PRODUCTION	1989	1990	1991	1992	Source
GROSS STATE PRODUCT, TOTAL					
In Current Dollars ($ millions)	$24,504	$25,415	$26,170	$26,588	BEA/PSNH
Annual percent change	2.9%	3.7%	3.0%	1.6%	DES
In Constant 1987 Dollars ($ millions)	$22,605	$22,452	$22,216	$21,991	BEA/PSNH
Annual percent change	-1.4%	-0.7%	-1.1%	-1.0%	DES
VALUE ADDED BY MANUFACTURE ($ millions)					
Total ($ millions)	$5,771.9	$5,568.5	$5,646.8	N.A.	CB
Value Added Per Payroll Dollar					
United States	$2.52	$2.49	$2.48	N.A.	CB
New Hampshire	$2.23	$2.18	$2.22	N.A.	CB
United States Rank (incuding D.C.)	44	46	43	N.A.	CB
Connecticut	$2.10	$2.06	$2.02	N.A.	CB
United States Rank (including D.C.)	50	49	50	N.A.	CB
Maine	$2.48	$2.36	$2.21	N.A.	CB
United States Rank (including D.C.)	33	38	44	N.A.	CB
Massachusetts	$2.28	$2.15	$2.18	N.A.	CB
United States Rank (including D.C.)	43	48	45	N.A.	CB
Rhode Island	$2.21	$2.18	$2.23	N.A.	CB
United States Rank (including D.C.)	46	47	41	N.A.	CB
Vermont	$2.52	$2.62	$2.57	N.A.	CB
United States Rank (including D.C.)	30	27	25	N.A.	CB
INDUSTRY SHARE OF TOTAL VALUE ADDED					
Industrial Machinery and Equipment	22.3%	15.5%	19.0%	N.A.	CB
Instruments and Related Products	14.9%	16.7%	14.8%	N.A.	CB
Electronic and Related Products	9.9%	11.3%	13.2%	N.A.	CB
Printing and Publishing	8.6%	9.9%	9.3%	N.A.	CB
Paper and Allied Products	7.4%	6.8%	5.9%	N.A.	CB
Rubber and Miscellaneous Products	6.3%	6.4%	6.4%	N.A.	CB
Fabricated Metal Products	6.0%	7.9%	6.6%	N.A.	CB
MANUFACTURER'S SHIPMENTS					
Total ($ millions)	$10,152.4	$9,727.2	$9,770.5	N.A.	CB
Annual Percentage Change	-11.4%	-4.2%	0.4%	N.A.	CB
NEW CAPITAL EXPENDITURES ($ millions)	$398.3	$303.2	$253.5	N.A.	CB
As a Percentage of Payroll					
New Hampshire	15.4%	11.9%	10.0%	N.A.	CB
Connecticut	12.3%	12.5%	11.5%	N.A.	CB
Maine	38.5%	28.2%	17.9%	N.A.	CB
Massachusetts	12.4%	11.3%	11.9%	N.A.	CB
Rhode Island	9.6%	7.9%	10.5%	N.A.	CB
Vermont	36.3%	36.9%	32.0%	N.A.	CB
United States	18.7%	19.2%	18.7%	N.A.	CB
DEFENSE CONTRACTS ($ millions)	$474	$369	$442	$419	CB

8. TRADE, RECREATION, AND HOSPITALITY

According to the Sales and Marketing Management Magazine survey, retail sales in New Hampshire rose 8.8 percent in 1992 after falling off by 7.2 percent in 1991. Sales were almost $12 billion in 1992 versus $11 billion in 1991. Food; eating and drinking places; and general merchandise stores all reflected gains in sales from the year before. Automobile and truck sales continued their decline posting sales of $2.2 billion in 1992, compared to $2.5 billion in 1991. The 1992 annual retail sales index for New England was 217.2, up 3.7 points from 1991s index of 213.5. The same index for the U.S. climbed 9.5 points during the same period.

RETAIL SALES WERE UP IN ALL TEN COUNTIES

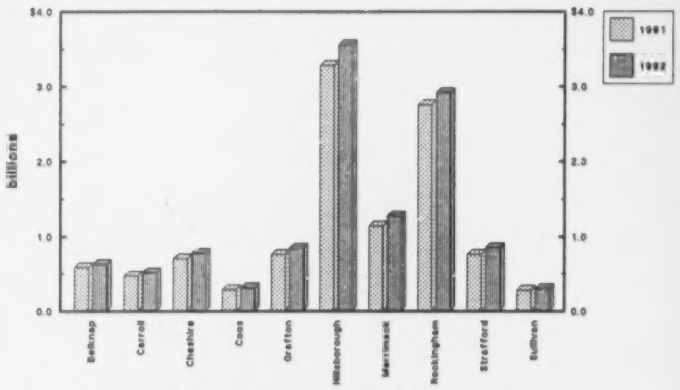


Figure 8.a: TOTAL RETAIL SALES in NEW HAMPSHIRE by COUNTY 1991 and 1992

So! How much buying power did the average New Hampshirite have in 1992? How does New Hampshire stack up against consumers in the New England region? To measure buying power we can turn to the EBI or "effective buying income". EBI is defined as personal income less personal tax and non-tax payments - sometimes known as "disposable" income. Basically it indicates the ability to buy.

Of the six New England states, New Hampshire placed third, with a calculated total EBI of over $20 billion and a per capita EBI of $17,200. Massachusetts had the largest total EBI with $109 billion and a per capita EBI of $18,100. Connecticut was next with an estimated EBI of $68.6 billion, but the highest per capita EBI of $20,900. Maine, Rhode Island and Vermont followed New Hampshire with EBI's of $17.5 billion and per capita of $14,200, $15 billion and per capita of $15,000, and $8 billion with a per capita of $14,200 respectively.

Out of the 315 metropolitan areas ranked for total retail sales in 1992, the Portsmouth-Rochester area ranked 99th at $3.8 billion and the Manchester-Nashua area ranked 106th at $3.6 billion. Portsmouth-Rochester and Manchester-Nashua ranked in the top 150 of the 315 metro areas ranked for total effective buying power in 1992. Portsmouth-Rochester was 109th with an EBI of $6.5 billion, while Manchester-Nashua was 104th at $6.8 billion.

Total retail sales in 1992 were $12.0 billion: food sales represented 22 percent, or $2.7 billion; automotive sales 18 percent, or $2.2 billion; general merchandise 11 percent, or $1.4 billion; and eating and drinking places; furniture and appliances; and drug sales combined for a little over $2.0 billion in sales. Although retail sales are often used to gauge the purchasing power of the residents in a given market, they are affected by actions of nonresident "shoppers", that is, purchases may be made by people not residing within the boundaries of New Hampshire.

Travel and tourism inquiries for New Hampshire reached an all-time high during the past year, thanks in part to advertising that trumpeted what the Granite State has to offer vacationers. The Office of Travel and Tourism Development (OTTD) received 228,544 inquiries for the fiscal year which ended June 30, 1993. The previous record for inquiries totaled about 190,000 between July 1990 and June 1991. Sixty percent of those who made inquiries and live in New England actually visited the state, while one in four of those who live elsewhere paid a visit to New Hampshire after making their inquiries.

Overall, restaurant sales, traffic counts, airline passenger enplanements, OTTD inquiries and employment of state residents in tourism related industries were near or at all time high levels in 1992. Hotel occupancy and spending, campground inquiries, gasoline sales, the number of skiers and snowmobilers, the number of Fish and Game licenses sold to out-of-state residents, and attractions attendance during 1992 were higher than they were in 1990 or 1991. Admissions to museums and historic sites, exchange rates, and the number of Canadian tourists were lower in 1992.

According to the OTTD, travelers spent an estimated $3.3 billion in New Hampshire during fiscal year 1992. They also estimate that the travel/tourism industry generated approximately 12.8 percent of all New Hampshire jobs and that 72,030 total jobs during fiscal year 1992 were directly or indirectly dependent on travel/tourism spending, with 57,740 of these jobs (10.3 percent of all jobs) directly dependent on such spending. Approximately $230.8 million of state revenues in 1992 were affected, to some degree, by tourist and business travel spending in New Hampshire. The meals and

8. TRADE, RECREATION, AND HOSPITALITY	1989	1990	1991	1992	Source
RETAIL SALES (millions of dollars)					
Total [a]	$11,509	$11,860	$11,009	$11,978	SMM
Annual percent change	9.3%	3.0%	-7.2%	8.8%	
Food	$2,331	$2,532	$2,314	$2,688	SMM
Eating and drinking places	$963	$1,038	$1,052	$1,156	SMM
General merchandise	$1,295	$1,250	$1,213	$1,356	SMM
Automobiles, trucks	$2,737	$2,658	$2,494	$2,202	SMM
Retail Sales Indices (1980=100)					
New England, total	220.4	215.8	213.5	217.2	FR
Annual percentage change	5.3%	-1.5%	-1.1%	1.7%	
United States, total	182.4	193.8	195.4	204.9	FR
Annual percentage change	5.9%	3.8%	0.8%	4.9%	
Liquor Sales (fiscal year) retail & wholesale ($ million)	$179.6	$187.7	$194.5	$204.6	LC
RECREATION/TOURISM					
Skiing (by year season ends), State areas (Cannon, Sunapee)					
Number of skiers, by year season ends	170,000	217,271	233,000	230,650	DRED
Lift sales (excl. concessions, schools)($ thousands)	$2,834	$3,733	$2,949	$3,709	DRED
State Park Attendance (thousands - excluding ski areas)	1,893.3	1,908.1	2,065.0	2,655.2	DRED
Camper days (thousands)	198.1	192.3	159.8 [b]	203.7	DRED
Fish and Game licenses (out-of-state)	77,554	70,690	71,250	73,292	F&G
Racing (Pari-mutual statistics)					
Thoroughbred track:					
Attendance (thousands)	1,046.8	1,276.7	1,182.9	395.5	PM
Pari-mutual pool($ thousands)	$141.6	$200.7	$185.9	$48.3	PM
Greyhound tracks:					
Attendance (thousands)	923.3	883.6	897.7	848.5	PM
Pari-mutual pool($ thousands)	$107.7	$97.3	$82.9	$73.0	PM
HOSPITALITY: HOTEL, RESTAURANT ACTIVITY					
Meals & Rooms Receipts (Calendar Year) ($ millions)					
Total	$1,171.8	$1,143.7	$1,137.7	$1,195.3	RA
Annual percentage change	2.0%	-2.4%	-0.5%	5.1%	
Restaurants	$755.6	$742.1	$739.2	$785.6	RA
Rooms	$203.4	$194.3	$195.0	$212.0	RA
Food service & comb.	$212.8	$207.3	$203.6	$197.7	RA

[a] *Reprinted by permission of* ***Sales & Marketing Management***
[b] *Not comparable to previous counts which included estimates of camper days with free passes.*

rooms taxes contributed $51.6 million; gasoline taxes added $12.2 million; and direct state receipts for licenses, parks admissions, liquor store sales, sweeps, tolls, etc., totaled $167 million. According to the Tourism Bureau, the seasonal break-out of total tourism/traveler spending by season equated to: summer, 39.7 percent; fall, 24.9 percent; winter, 19.6 percent; and spring, 15.8 percent.

One attraction helping the tourism and travel-related industry continues to be the New Hampshire International Speedway (NHIS) in Loudon, just north of Concord. The inaugural Winston Cup Race drew an estimated 60,000 fans - the largest crowd ever to watch a sporting event in New Hampshire. State officials estimate that the Winston Cup race alone produced $50 million in direct revenues for businesses in the state and had an overall economic impact of $150 million. The track gives the tourist industry a real boost and a boost to a small town and attractions between Concord and Laconia that people may not discover otherwise. During the Winston Cup weekend every hotel and motel in the southern part of the state was booked. Long term, state and community leaders are

exploring ideas to ensure NHIS will be a catalyst to the entire state's economic development.

The ski industry, through the newly formed Ski New Hampshire Association, will have, for the first time, one unified voice to represent all of the Alpine and Nordic ski areas throughout the state. The objective of Ski New Hampshire will be to enhance the promotion, safety, environmental soundness, and public awareness of New Hampshire skiing; enhance the image of New Hampshire as a diversified winter vacation destination; and to effect improvements in the areas of insurance, energy consumption, tramway standards, and other concerns of mutual interest.

With this new accord among the state's ski areas, Ski New Hampshire this season will offer an interchangeable pass that allows a family to ski at any of the state's areas for five consecutive weekdays and allows children 12 or under to ski free. Another innovative marketing idea that might catch on is called the "Smart Ticket", which works on a point value system through which each time the skier uses a lift, the computerized turnstile automatically deducts from the ticket the number of points allotted to that particular lift. Point totals vary depending on the vertical rise of the lift. The Attitash ski area, in Bartlett, NH, boosted its number of skier visits by 14 percent last season when it introduced the Smart Ticket concept. In fact, it worked so well that Attitash is introducing Smartclub, which keeps track of the total vertical feet skied and gives the skier what might be called frequent flyer points for prizes. The skier who tallies the most points for the season wins two trips to the Caribbean.

The thoroughbred racing season performed for only 111 days in 1992 with live wagering accounting for $48.3 million in pari-mutuel sales and simulcast (of races from other states) wagering taking in another $56.3 million. In 1991, Rockingham Park was open for 261 days and totaled $185.9 million in pari-mutuel sales. Overall, state revenue from greyhound, harness, and thoroughbred racing in 1992 was $6.4 million as compared to $8.8 million in 1991. Racing days in 1993 were expected again to run about 100 days with simulcast picking up a lot of the slack caused by a shorter season.

Emerging as a more important player in the state's tourism business is the annual Laconia Motorcycle Race and Rally. Expanding the motorcycle weekend into a week-long event translated into approximately $53.0 million in revenues, according to a study run by Plymouth State College. The survey determined that attendees spent an average of $500 each during the week, 24 percent of attendees had incomes exceeding $50,000 per year, and came to the rally from 44 states, four Canadian provinces, and overseas from France, Great Britain, Germany and Japan. Two-thirds of survey respondents indicated that besides coming to view the 70 year old event, they came because New Hampshire is an attractive vacation spot. Almost half of those surveyed made their decision to attend prior to January 1993, and about three-quarters of them traveled there by motorcycle.

Cleaven Ferguson

9. CONSTRUCTION AND HOUSING

CONSTRUCTION

Builders in New Hampshire have adjusted to a slower pace of work from the boom years of the mid-to-late 1980s Builder groups report a bottoming out of the industry's downhill trend and an increase in the number of projects, both in renovation work and new building.

The health care industry is providing quite a bit of work on projects for hospitals, clinics, doctors' offices, health service facilities, and rehabilitation centers. Work has consisted of both renovation projects and new buildings. Also in the works are retirement community projects.

A surge in small and large renovation projects can be credited, in part, to companies downsizing and restructuring. Because of the recent trend by some firms toward trimming staff and operations, space requirements have changed. Some firms are incorporating more efficient interior office arrangements; some are moving out of one location and into another, taking advantage of lower mortgage rates and real estate prices; still others are renovating or adding space to consolidate departments into one location.

DAYS ON THE MARKET STILL CLIMBING

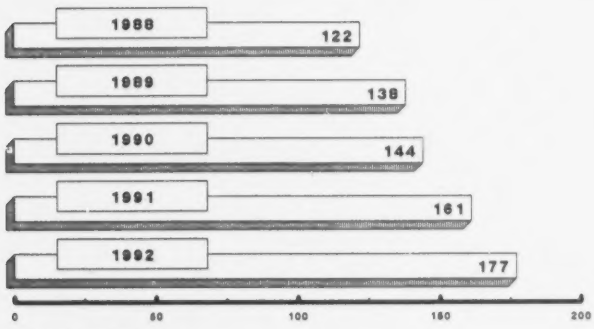


Figure 9.a: ANNUAL AVERAGE NUMBER of DAYS on the MARKET for MULTIPLE LISTING SERVICE HOUSING PROPERTIES from 1988 to 1992

AFTER BOTTOMING OUT IN 1992
HAVE REAL ESTATE PRICES STARTED TO REBOUND?

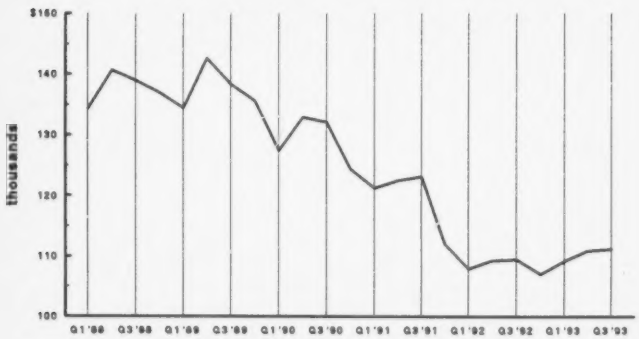


Figure 9.b: QUARTERLY AVERAGE SELLING PRICE of MULTIPLE LISTING SERVICE HOUSING PROPERTIES from Q1 1988 to Q3 1993

Also helping to turn around New Hampshire's construction industry was an increase in big retail projects. Many buildings were built for WalMart, Sam's Club, Circuit City Stores, HQ, and Home Depot outlets. Additionally, the University System and public works projects have been providing work opportunities for a number of contractors.

According to the Federal Reserve Bank of Boston, the value of total construction contracts in 1992 had an index of 217.5 versus 173.7 in 1991, up 25.2 percent (1980 = 100). The value of nonresidential building construction contracts was up 37.2 percent to an index of 280.5 in 1992 as opposed to 204.5 in 1991 (1980 = 100). Both indices show September 1993 values higher than September 1992 values, and September 1992 values higher than September 1991 values [September 1993 data is the latest available]. This growth in the construction indices is consistent with observed growth in construction employment, and is a sign that economic recovery has begun.

HOUSING

As reported by the New Hampshire Association of Realtors, housing sales in 1992 totaled 9,124 units, up 30 percent from sales of 7,036 units in 1991. These sales represented $990,000,000 in volume, for an average sale price of $108,500 which was down 9.0 percent from a 1991 average sale price of $119,700. Newly added listings totaled 27,872; versus 28,118 in 1991. In 1992, a listing stayed on the market an average of 177 days, up from 161 days in 1991. As of the third

9. CONSTRUCTION AND HOUSING	1989	1990	1991	1992	Source
RESIDENTIAL BUILDING PERMITS *	7,630	4,748	3,703	4,357	OSP
Annual percent change	-38.0%	*	-22.0%	17.7%	OSP
Percent in Hillsborough and Rockingham Counties	43.4%	50.7%	51.2%	53.7%	OSP
Percent multifamily	22.0%	22.2%	8.4%	9.0%	OSP
HOME SALES					
Existing homes (Estimated average sales per quarter - single family, condos, co-ops)	9,800	7,900	9,500	12,000	AR
Percent change:					
New Hampshire	-35.9%	-19.4%	20.3%	26.3%	AR
Massachusetts	-28.0%	-34.6%	12.5%	16.4%	AR
Vermont	-53.4%	-1.6%	32.8%	17.1%	
United States	-3.5%	-8.5%	2.3%	9.2%	AR
New Hampshire Multiple Listing Service data:					
Average sale price (multiple listing)	$138,133	$129,632	$119,683	$108,462	AR/DES
Annual percent change	4.5%	-6.2%	-7.7%	-9.4%	AR/DES
Average number of days on the market	135	144	172	177	AR/DES
CONTRACT VALUE INDICES (base = 1980)					
Total construction:					
New Hampshire	307.8	188.0	173.7	217.5	FR/FWD
New England	257.2	187.4	179.0	198.8	FR/FWD
United States	176.4	158.2	154.4	159.8	FR/FWD
Non-building construction					
New Hampshire	152.8	126.8	201.4	153.3	FR/FWD
New England	218.1	183.9	231.7	198.8	FR/FWD
United States	150.2	144.0	150.5	158.8	FR/FWD
Nonresidential construction					
New Hampshire	265.3	210.8	204.5	280.5	FR/FWD
New England	261.2	200.5	172.0	205.2	FR/FWD
United States	178.2	156.8	150.2	147.9	FR/FWD
Residential construction					
New Hampshire	396.5	200.9	145.5	209.4	FR/FWD
New England	274.1	172.5	155.8	193.2	FR/FWD
United States	187.8	166.0	161.3	170.8	FR/FWD
HOUSING PERMITS AUTHORIZED (annual averages)					
Total	555	336	240	307	FR/AR
Annual percent change:					
New Hampshire	-43.9%	-39.5%	-28.6%	21.8%	
New England	-34.3%	-29.8%	-19.9%	9.0%	
United States	-7.1%	-16.3%	-15.4%	13.7%	
Single units	432	269	229	280	FR/AR
HOUSING UNIT RENTALS					
Median monthly rent (including utilities)	$594	$583	$554	$560	HFA
HOMES FINANCED BY NH HOUSING FINANCING AUTHORITY					
Total	1,379	1,429	797	1,212	HFA
Percent new	40%	35%	35%	22%	HFA
Percent condo	23%	14%	12%	12%	HFA
NHHFA BOND ISSUES ($millions)	$130.0	$51.0	$125.0	$90.0	HFA
ASSISTED RENTAL HOUSING CONSTRUCTION					
Total units (NHHFA,HUD,FMHA,& local programs)	292	221	139	142	HFA
For elderly tenants	209	120	76	109	HFA

* *1991 represents a break in this data series. In prior years building permit data was published as year round, an attempt was made to remove seasonal properties from the data. By 1991 it was discovered that there were discrepancies in the previously collected data. It became evident that many towns found it virtually impossible to distinguish between winterized seasonal cottages and year-round residences. From 1991 forward data gathered will be for all residential building permits, be they for seasonal or year-round residences.*

quarter of 1993 [latest data available], newly-added listings totaled 23,039 versus 22,851 for the same quarter in 1992. The average number of days on the market through three quarters of 1993 was 181 versus 178 days for the first three quarters of 1992. The average selling price during the same period was $111,000 in 1993 compared to $109,000 in 1992.

Is the New Hampshire real estate market poised for a rebound? It is difficult to determine, but the following factors could make a difference:

- The stabilization of employment and improved consumer confidence. With employment in New Hampshire growing, there seems to be some tangible evidence of growth among the smaller businesses in the state.

- Improvement in the banking sector. The last couple of years has brought about a consolidation of regional banks and a return to profitability. Currently, banks in the region have substantial assets tied up in short term U.S. Government obligations. However, in the pursuit of continued profits, these lenders are gradually returning to the real estate market.

- The industrial real estate market is expected to strengthen over the next few years as the government focuses more on economic development incentives. Large single-user buildings have become somewhat of an albatross, but smaller and multi-tenant/flex-space buildings are generally in demand.

In summary, much of the anguish in the real estate market is already past. The precipitous declines in value experienced in 1989 and 1990 have abated. In nearly all market sectors, residential, office, and retail, some stability has returned. The real estate market appears to be adjusting to new lower price levels, established since the real estate downturn, which are solidly supported by real cash flows and should form the basis for stronger markets over the next few years.

Cleaven Ferguson

10. TRANSPORTATION AND TRAFFIC

Passenger car registrations rebounded from 1991's decrease of 6.6 percent to record a small increase (2.9 percent) in 1992. Cars registered numbered 857,860 in 1992, an increase of 24,468 over the 1991 total of 833,392. Truck registration numbers, though considerably smaller, increased at a larger rate (3.5 percent). Truck registrations numbered 16,676, an increase of 563 vehicles. This was the first truck registration gain since the peak year of 1988, when 22,715 trucks were rolling on New Hampshire roads. The number of persons for each passenger car registered held at 1.30 when compared with the previous year. The number of driver licenses on issue increased in 1992 to 850,195, a gain of 2,026 licenses over-the-year. The ratio of licenses to passenger cars in 1992 was just about one-to-one. Annual vehicle miles driven, 10,038 million miles, increased 1.0 percent compared with 1991's count.

MOTOR VEHICLE REGISTRATIONS REBOUND

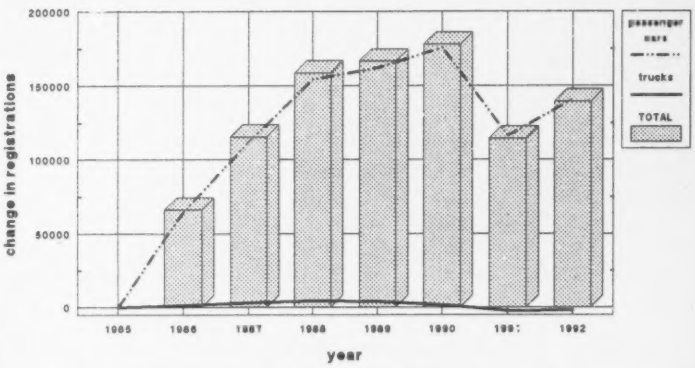


Figure 10.a: ANNUAL NET CHANGE IN MOTOR VEHICLE REGISTRATIONS FROM 1985 TO 1992

Hikes in annual vehicle miles, vehicles registered, and number of drivers combined to produce an increase in motor fuel consumed. The 1992 increase amounted to 10.1 million gallons, yielding a total of 570.7 million gallons consumed for the year. The four cents per gallon federal tax on gasoline (1993 Deficit Reduction Bill), signed into law in October 1993, may impact gasoline and diesel consumption for the balance of the year and on into 1994. However, an oversupply of petroleum dropped gasoline prices to the lowest levels in decades toward the end of 1993. Department of Transportation predictions estimate 580.1 million gallons will be consumed during 1993.

The annual traffic counts at the state line in Salem (I-93) and Seabrook (I-95) combined to tally 58,091,000 in 1992, an increase of 4.0 percent. The largest percent increase over-the-year at any one point on the turnpikes and interstates occurred at Lebanon on I89. This particular point is located on the New Hampshire-Vermont state border. Vehicles there tallied 10,398,000 in 1992, a 6.2 percent increase, compared with 9,765,000 in 1991. The biggest decrease in vehicle counts occurred at Littleton (I-93) on the New Hampshire-Vermont state border. Vehicle tallies there decreased 7.6 percent in 1992 compared with the previous year. The annual 1992 rural state traffic average marked a 1.6 percent gain. In 1991 the rural state traffic average had decreased by 1.1 percent. The high point for rural state traffic also occurred on the New Hampshire- Vermont state border at Claremont (NH-12/NH-103), which experienced an increase of 15.4 percent. The 1991 to 1992 low point was on the Kancamagus Highway at Albany, where a 13.9 percent decline was sustained.[1]

Aircraft passenger departures, or individuals traveling via commercial flights, numbered 467,043 from the Manchester and Lebanon Airports. This is a 1992 gain of 12,015, an increase of 2.6 percent. Manchester's new $65 million, 158,000 square foot terminal is ready to handle over one million passengers in the next three years. The expansion's impact on the local economy is expected to add over $100 million dollars (next four years), and create 200 new jobs.[2]

Seaport traffic from Portsmouth harbor (public and private facilities) amounted to dead weight tonnage equal to 5,660,000 tons. The totaled amount for import and export was 4,170,000 tons, equal to an 8.9 percent increase. The New Hampshire Port Authority handled 210,655 short tons of scrap metal cargo. This activity made the port "the second largest mover of scrap metal in the United States".[3] The port no longer handles container shipments. Wallboard, power components, and wood chips cargos have replaced this activity. The long awaited expansion plans for the port are further along than reported last year. Environmental issues have been addressed and solutions partially implemented. As reported last year, the new construction will expand the port from one pier to three piers. The two new piers will include a 750 foot, deep water pier for large ships and a smaller, 378 foot pier for cruise vessels, container cargo, and barges. Future expansion may include the building of a fourth multipurpose pier. Port Authority officials predict construction activity will begin in late spring of 1994.[3]

In the spring of 1991 the Air Force vacated Pease Air Force Base. Since then, administrators at the Pease International Tradeport have been busy attracting private businesses to

become permanent tenants. This task is being accomplished by the Pease Development Authority (PDA), under new leadership in 1993. Emphasis initially was placed on convincing the world renowned German aircraft builder, Deutsche Airbus, to locate at the Tradeport. Some effort was also made to woo automaker Mercedes-Benz to the state. Eventually, both declined to locate in New Hampshire. However, an impressive list of Tradeport tenants has taken form: Business Express, C & J Trailways, Pease Development Authority, a U.S. State Department-Visa/Passport Center, and Celltech Biologics. Along with established tenants, the UNH-School for Lifelong Learning and the New Hampshire Air National Guard, the growing tenant list suggests that economic development and recovery is alive and well at the Tradeport.[4] The proposed merger of the Pease International Tradeport and Port Authority under the PDA is under legislative study. The merger suggests an opportunity to cut costs by sharing expenses in dealing with transportation related issues. Due to differences in budget size, care is being taken that the Port not be swallowed up by Pease Tradeport.[5]

U.S. Mail traffic in New Hampshire increased dramatically in 1992 as first handling pieces at Manchester and Portsmouth increased by 57 percent with 460 million additional pieces handled. Compared with 810.7 million pieces in 1991, the new total for 1992 was a whopping 1,270 million pieces. Postal officials confirmed that the use of automated equipment, the volume of bulk mailings, and increased use of Priority Mail/Express Mail are just some of the factors supporting the growth in mail traffic. They estimate the volume will continue to increase into the future.

Charles K. Hood

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[1] ***Automatic Traffic Recorder Report; Calendar Year 1992***. New Hampshire Department of Transportation. Bureau of Transportation Planning, February 1993.

[2] Stone, Nancie. "Expanded Airport Ready to Take Off." ***Concord Monitor***, 10 Dec. 1993: A-1.

[3] Baskerville, Robin. "Pier Pressure." ***Business New Hampshire***, May 1993: pg. 32-34.

[4] Recht, Mike; (Associated Press). "Pease Progress Praised." ***The Union Leader*** [Manchester, NH], 2 Jun 1993: pg. 19.

[5] Baskerville, Robin. "Pease/Port Hot? Pease/Port Cold?" ***Business New Hampshire***, May 1993: pg. 36.

10. TRANSPORTATION AND TRAFFIC	1989	1990	1991	1992	Source
HIGHWAY TRAFFIC Annual totals (thousands of vehicles)					
Interstates, N.H.- Mass. State line					
(from traffic counters at Salem and Seabrook)	55,734	56,813	55,843	58,091	DT
Annual percent change	0.4%	1.9%	-1.7%	4.0%	DT
Rural traffic, annual percent change	1.2%	-1.3%	-1.1%	1.6%	DT
Annual vehicle miles (millions of miles)	9,821	9,843	9,934	10,038	DT
Annual percent change	3.3%	0.2%	0.9%	1.0%	
VEHICLE REGISTRATIONS					
Passenger Cars (including handicapped, veterans, etc.)	879,009	892,679	833,392	857,860	DS
Annual percent change	0.9%	1.6%	-6.6%	2.9%	DS
Trucks	22,633	20,363	16,113	16,676	DS
Annual percent change	-0.4%	-10.0%	-20.9%	3.5%	DS
Persons per passenger car (population/# of cars)	1.26	1.18	1.30	1.30	DT
DRIVER LICENSES	806,959	847,060	848,169	850,195	DS
AIRCRAFT					
Passenger departures (individuals), commercial airlines					
Manchester and Lebanon airports	267,590	435,020	455,028	467,043	DT
Annual percent change	30.2%	18.3%	4.6%	2.6%	DT
MOTOR FUEL CONSUMPTION					
Millions of gallons of gasoline and diesel fuel	573.5	546.6	560.6	570.7	DT
BOAT REGISTRATIONS	83,372	82,030	77,442	79,356	DS
Annual percent change	5.0%	-1.6%	-5.6%	2.5%	DS
SEAPORT TRAFFIC, PORTSMOUTH HARBOR					
Total shipping (public & private facilities)					
Dead Weight Capacity Tonnage (thousand tons) [a]	5,767.0	6,184.8	4,272.4	5,660.0	PA
Export & import total (thousand short tons) [b]	4,542.9	4,805.0	3,828.3	4,170.0	PA
Annual percent change	30.4%	5.8%	-20.3%	8.9%	PA
N.H.Port Authority activity (tons)					
Cargo:					
Scrap metal & coiled steel	282,787	285,598	257,628	210,655	PA
In containers	67,880	67,444	-[c]	-[c]	PA
POSTAL SERVICE					
First handling pieces - Manchester and Portsmouth [d] (millions) (FY ending 9-30)	724.5	783.8	810.7	1,270.0	PS

[a] *Excludes barge traffic not requiring pilots.*
[b] *Includes weight of ship and cargo.*
[c] *Container operation discontinued, moved to Portland, Maine.*
[d] *Mail of all classes and origins, first processed by the Manchester and Portsmouth post offices.*

11. FINANCE AND BANKING

Calendar year 1992 saw a continuation of the decline in the state's banking industry. Bank assets, bank deposits, and the number of banking institutions all continued to slip, although the rates slowed from the tumbles of the year before.

Total assets for state and national chartered banks which had dropped by nearly $2 billion from 1990 to 1991, dropped again from 1991 to 1992 for the fourth straight year, but by only a third as much. The assets of state chartered savings banks and cooperative banks actually grew significantly over the year, certainly a positive sign. These gains were more than offset by losses in state chartered commercial trusts. The assets of the federally chartered commercial national banks, and the savings and savings-and-loans continued to shrink.

Bank deposits followed the same pattern as total assets. With less discretionary income available due, in part, to higher unemployment levels, many New Hampshire people just did not have as much money to save. Others have transferred their savings from banks to mutual funds, which offered a better return, since bank interest rates were at their lowest levels in recent times. Some retired people, that in the past have been able to support themselves with interest alone, have been forced to dip into principal, thus further reducing deposits.

Equity capital in state chartered banks increased as a percentage of total assets in commercial trusts and savings banks while it declined slightly in cooperative banks. Coop bank assets account for less than 5 percent of the total assets of state chartered banks. For the first time since 1989 equity capital in commercial trusts was above the accepted norm of 6 percent. Although they were not as hard hit as savings banks when the recession caused real estate values to tumble, it took them more time to regain the proper balance between equity assets and total assets.

It was clear that the struggles of the banking industry were not over as the number of New Hampshire banking institutions continued to decline in 1992. In a report for the fall conference of the New England Economic Project, Philip J. Lane of the Department of Economics at Fairfield University writes that it is reasonable to expect that the number of banking institutions in New England will continue to decline because of continued merger and acquisition activity and the FDIC's policy of closing institutions with less than 2 percent capital. Even though the Federal Reserve Board turned down the merger of New Dartmouth Bank with Shawmut Financial Corporation, more restructuring is expected. Symptomatic of what the banking industry has gone through, data on employment with firms covered by unemployment compensation shows that the average number of jobs in the Standard Indus-

BANK ASSETS AND DEPOSITS CONTINUE TO SLIDE

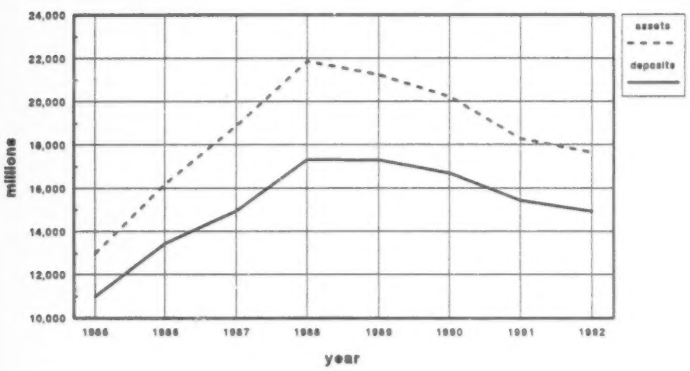

Figure 11.a: BANK ASSETS and BANK DEPOSITS 1985-1992

BANKING INDUSTRY STILL CONSOLIDATING

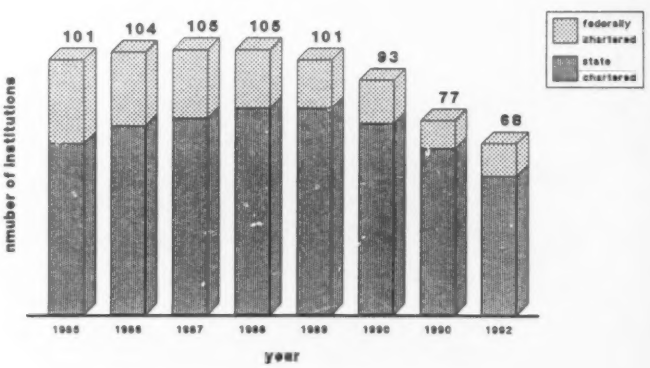

Figure 11.b: STATE and FEDERALLY CHARTERED BANKING INSTITUTIONS 1985 - 1992

11. FINANCE AND BANKING	1989	1990	1991	1992	Source
BANK ASSETS ($ millions)					
State & national chartered banks, savings, commercial, and cooperative banks:					
Total	$21,223.4	$20,238.0	$18,297.3	$17,646.8	BD
State Chartered Banks:					
Commercial "Trusts"	$5,400.2	$5,332.3	$5,142.3	$4,660.4	BD
Savings	$9,270.8	$8,575.7	$8,339.1	$8,640.8	BD
Cooperative	$724.4	$733.0	$681.3	$743.5	BD
Federally Chartered Banks:					
Commercial "National Banks"	$3,842.4	$3,782.0	$3,024.6	$2,629.2	BD/OCC
Savings and Savings-and-Loans	$1,985.6	$1,815.0	$1,110.0	$972.9	BD/OFS
Annual percent change:					
Total	-2.9%	-4.6%	-9.6%	-3.6%	BD/DES
State Chartered Banks:					
Commercial "Trusts"	13.1%	-1.3%	-3.6%	-9.4%	BD/DES
Savings	0.9%	-7.5%	-2.8%	3.6%	BD/DES
Cooperative	-1.1%	1.2%	-7.1%	9.1%	BD/DES
Federally Chartered Banks:					
Commercial "National Banks"	-25.5%	-1.6%	-20.0%	-13.1%	BD/OCC
Savings and Savings-and-Loans	-1.1%	-8.6%	-38.8%	-12.4%	BD/OFS
BANK DEPOSITS All banks ($ millions)	$17,300	$16,688	$15,440	$14,934	BD
Annual percent change:					
Total	-0.2%	-3.5%	-7.5%	-3.3%	
State Chartered Banks:					
Commercial "Trusts"	14.4%	0.1%	-3.5%	-6.5%	BD
Savings	6.4%	-3.0%	-0.7%	1.6%	BD
Cooperative	0.5%	1.5%	-4.9%	12.0%	BD
Federally Chartered Banks:					
Commercial "National Banks"	-25.6%	-9.2%	-17.5%	-15.8%	OCC
Savings and Savings-and-Loans	3.1%	-6.8%	-35.5%	-6.5%	OFS
EQUITY CAPITAL State chartered banks					
Percent of total assets (December 31)					
Commercial "Trusts"	6.92%	5.72%	5.90%	7.25%	BD
Savings	6.11%	3.75%	6.57%	7.92%	BD
Cooperative	9.32%	9.00%	8.85%	8.77%	BD
NUMBER OF BANKING INSTITUTIONS	101	93	73	68	BD
INDUSTRIAL FINANCING					
NH Industrial Development Authority					
Bond issues ($ millions) - fiscal year ending 6/30	$62.5	$231.0	$732.9*	$52.0	BFA
NON-PERFORMING LOANS ($millions)					
[FDIC commercial banks,Dec. 31st totals]	$270.5	$366.4	$204.2	$88.4	FDIC
Rank as percent of total (net) loans/lease (from smallest)	42	46	39	22	FDIC
Percent change from previous year	135.0%	35.5%	-44.3%	-56.7%	FDIC
United States rank (incld. D.C.) (from largest decrease)	49	33	3	1	FDIC
BANKRUPTCY FILINGS, Calendar year	1,325	2,549	3,848	3,800	BKR
FY ending 6-30 of year shown	1,027	1,837	3,414	3,975	BKR
FY percent changes:					
New Hampshire	45.7%	78.9%	85.8%	16.4%	BKR
Connecticut	24.5%	47.1%	58.5%	28.9%	BKR
Maine	13.2%	38.0%	50.4%	4.7%	BKR
Massachusetts	42.1%	78.8%	71.2%	23.2%	BKR
Rhode Island	14.7%	68.0%	76.6%	18.3%	BKR
Vermont	11.9%	57.3%	51.5%	21.5%	BKR
New England	30.0%	63.9%	67.8%	21.8%	BKR
United States	8.1%	12.8%	21.4%	10.5%	BKR

** Includes bond issues totalling more than $500 million for refinancing of Public Service Company of New Hampshire.*

trial Classification major industry group, depository institutions, for the twelve month period ending in June 1993 had declined to 7,840 from 10,704 for the same period four years earlier, a decline of 26.8 percent.

The value of non-performing loans shrank dramatically. When ranked among the fifty states and D.C. by the percentage of non-performing loans to total loans/leases, New Hampshire found itself near the middle, moving up from 39th at the end of 1991 to 22nd at the end of 1992. It took the largest decrease among the fifty states and the District of Columbia to move up seventeen places. Some of these loans have been taken over by the Federal government as banks are closed or reorganized. Others have been sold to firms that specialize in liquidating loans. This trend continues. In August 1993 First NH Bank sold an estimated $80 million worth of loans to such a firm forcing the borrowers to refinance. In the report for the fall conference of the New England Economic Project, Peggy Gilligan, Senior Financial Analyst at the Federal Reserve Bank of Boston, notes that in the New England region, nonperforming assets of commercial banks continued to decline through the second quarter of 1993 to 2.72 percent of assets. There is still a ways to go to reach the nationwide average of 2.15 percent.

Fiscal year bankruptcy filings continued to increase, though at a considerably diminished, rate through June 1992. However, 1992 year-end totals showed a 1.3 percent decline from 1991. During the first eleven months of 1993, total bankruptcies declined 6.7 percent compared to the same period in 1992. George Vanna, Clerk of the U.S. Bankruptcy Court in Manchester, estimates that the final total for 1993 will fall somewhere between 3,520 and 3,550, a drop of between 6.6 to 7.4 percent.

Peter S. Bartlett

12. GOVERNMENT REVENUES AND EXPENDITURES

State government revenue generated in fiscal year 1992 (ending June 30, 1992) was higher than in any of the the previous three years.

State government general revenues totalled $2.3 billion in 1992, according to the U.S. Census Bureau's State Government Finances publication. Of these funds, 37% ($856 million) were collected as taxes and 31.8% ($733 million) were from the federal government. Total taxes received rose 37% from 1991 to 1992. Monies from the federal government increased 66%. According to the New Hampshire Office of State Planning's 1992 Annual Federal Assistance Report, the primary cause of the influx of federal funds was the increase in Medicaid funds flowing into state coffers in the form of the Medicaid Enhancement Tax. Recession-based increases from participation in federal programs such as Aid for Families with Dependent Children and Emergency Unemployment Compensation also contributed to the increase in federal monies.

GAINS IN BUSINESS PROFITS, MEDICAID, AND MEALS AND ROOMS TAX COMBINE WITH HIGHER LIQUOR SALES TO PUSH FISCAL YEAR 1993 REVENUES HIGHER

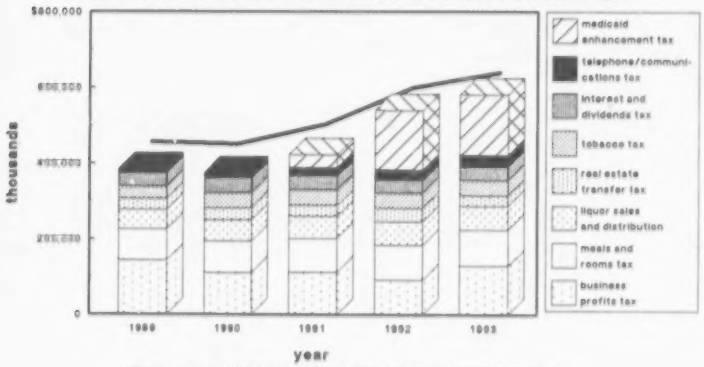

Figure 12.a: UNRESTRICTED NEW HAMPSHIRE GENERAL FUND REVENUE from SELECTED SOURCES compared to TOTAL UNRESTRICTED GENERAL FUND REVENUE (line)

The Census Bureau also reports the amount of state government general revenue for each $1,000 of personal income, thereby providing a measure of a state government's income relative to the collective wealth of its residents. In 1992 New Hampshire collected $95.82 per $1,000 of personal income compared with the U.S. average of $125.73. Our rank changed to 49th place from 50th place, which New Hampshire had held since 1988 (1 = the highest revenue per $1,000 personal income). Analyzing revenue strictly from taxes, New Hampshire still collected the least revenue per $1,000 of personal income of any state (50th place). The ranking for total general revenue received from the federal government moved New Hampshire from 48th place in 1991 to 37th place in 1992, reflecting that surge in new federal funds for the state.

Selected state general revenue totals and related details, provided by the New Hampshire Department of Administrative Services (unless otherwise cited), reveal information about how New Hampshire's economy is faring.

- The Business Profits Tax (BPT) dipped considerably in 1992, to $91.6 million, from $112 million in 1991. In 1993 tax collections totalled over $128.7 million, the highest return since 1989. Changes in tax revenues in any year reflect not only current profits but also the accuracy of payments made the previous year. The drop in 1992 was exacerbated by tax refunds made because companies had overestimated profits and overpaid for 1991; so 1991 is artificially high and 1992 too low as an accurate picture of corporate health. For 1993, with business generally on the upswing, companies may have estimated too low and had to make up the difference.[1] Additionally, a legal challenge to the constitutionality of the BPT was resolved and a large lump sum for back taxes was paid to the state, recorded mostly as 1993 revenue. Even with the tax's tendency to exaggerate changes in one direction or the other and the one-time large injection of back taxes pushing the 1993 revenues up, business profits have clearly rebounded from 1992 to 1993. For business organizations with a "year end" after the state fiscal year beginning July 1, 1993, the Business Profits Tax was reduced to 7.5% (from 8%). On July 1, 1994, the tax will become 7% of business profits.[2] In an effort to equalize the business tax burden, a new tax, the Business Enterprise Tax (BET), was enacted beginning July 1, 1993. The BET imposes a 0.25% tax on wages, interest, and dividends of businesses with gross incomes of more than $100,000 or an enterprise value tax base greater than $50,000; there is a dollar for dollar credit against the BPT. New revenue is generated because the BET taxes sole proprietors, partnerships, professional associations, and "S" corporations, many of which did not pay the BPT. These business tax law changes are designed to be revenue neutral as the BET revenues are expected to offset the decrease in the BPT revenues from the reduced tax rate.[3]

- The Meals and Rooms Tax continued a pattern of consistent growth which extends back to at least 1983. In 1992, at $92.1 million, this tax replaced the Business Profits Tax as the second leading general revenue-producing source (the returns from the Medicaid Enhancement Tax yielded the most revenue). Meals and Rooms Tax returns from 1993 were almost $95.4 million. As of July 1, 1993, the revenue reported for Meals and Rooms includes an assessment on general hospitals and is projected to add $116 million to the traditional revenues garnered by this tax. Revenue from general hospitals is a new channel for collecting the former Medicaid Enhancement Tax revenues.

- The Medicaid Enhancement Tax proved a boon to the state's budget in 1992 and 1993, providing nearly $156.3 million and $160.8 million, respectively. As of July 1, 1993, the name of this tax was changed to the Uncompensated Care Pool Revenue and is projected to provide only $42 million in 1994. However, New Hampshire Hospital revised its Medicaid plan so that Board and Care Revenue will garner more money from the federal government, increasing revenues from $32 million in 1993 to a projected $68.7 million in 1994. Also the additional funds incorporated in the Meals and Rooms Tax should help offset the revenue decline reported under the Uncompensated Care Pool Revenue.

- Revenues from the Tobacco Tax dipped slightly in 1992 but rose 4.6% in 1993 to a record $41.1 million in 1993. The increase in Massachusetts's tax on cigarettes by $0.25 per pack contributed to this rise.

- The tax on Interest and Dividends declined in 1991 and 1992 and showed some recovery in 1993. Almost $36.1 million flowed into state coffers in 1993 from this source, in spite of the low interest rates.

- The Estate and Legacy Tax had notable losses in 1990 and 1991 after hitting a peak in 1989 of $30.3 million. A new record was established with the $31 million collected in 1993.

- The Real Estate Transfer tax shows a declining pattern since 1990 if the one-time payment ($7.3 million) for the transfer of the Seabrook Nuclear Station in fiscal year 1992 is subtracted. The $26.8 million collected in 1993 is the lowest received since 1984.

- The Telephone/Communication Tax took a healthy jump of almost 25% from 1991 to 1992 and grew an additional 6.4% in 1993. With the increased use of modems for networking computers and the new technologies and services offered for communicating, revenues should continue to increase from this revenue source.

- The Utilities Tax revenues increased from 1991 to 1992, from $10.1 million to almost $23 million, when the Nuclear Station Property Tax was enacted and included in the Utilities revenues. In 1993 revenue slipped to $21 million. The Nuclear Station Property Tax was contested by out-of-state owners in October 1991, and finally settled out of court in April 1993. As a result of the negotiations, the Nuclear Station Property Tax rate was reduced and the property valuation of the nuclear station lowered; additionally, no BPT credit is given to New Hampshire owners of the nuclear station. The Utility Franchise Tax component of the Utilities Tax will again tax electric franchises (as well as gas franchises) as they were taxed prior to 1992. Overpayments made in previous years by out-of-state owners of the Seabrook Nuclear Station will be credited to offset taxes due in 1994 and 1995.

Some other sources of revenue for the state government showed revenue gains. Gross liquor sales have been boosted by New Hampshire's aggressive out-of-state advertising efforts, to total a record $208.6 million in 1993, up from $204.6 million in 1992. This yielded $56.3 million for the state general fund in 1993, an increase from the $55.7 million of 1992. Liquor sales and distribution provided the fourth largest source of unrestricted revenue for the General Fund in 1992 and 1993. A new liquor store opened in Rindge, and one planned for Hampton are expected to help boost future liquor sales.[4] Turnpike toll revenues yielded a record $45.5 million in 1993. This reflects a 0.7% increase from 1992. Turnpike use and revenues are strongly correlated to the number of tourists visiting the state.[5] The New Hampshire Sweepstakes provided education with $36.7 million in 1992 and topped that with $37.2 million in 1993. More on-line sales terminals, a new telecommunications network, a new central computer, and automatic validation terminals are expected to be in use early in calendar year 1994.[6]

STATE GOVERNMENT EXPENDITURES

New Hampshire's state government general expenditures totalled $2.4 billion for 1992, up 40% from 1991 expenditures of $1.7 billion, according to the U.S. Census Bureau. This amounted to $102.04 for each $1,000 of personal income in 1992, increasing from the $75.55 of 1991. This 1992 expenditure per income was 80% of the national average of $127.10; in 1991 New Hampshire was 63% of the U.S. average of $119.29. Recession-related expenses grew faster than personal income, thus causing the large jump in expenditure relative to personal income. In the national ranking, New Hampshire lost its spot in 50th place (lowest expenditure per $1,000 personal income), which it had held from at least 1986 through 1991, and placed 46th. This reflected the depth of the recession in New Hampshire relative to other states in the country. Expenditures on public welfare confirmed this as New Hampshire moved from 48th place in 1991 to 35th place

in 1992. Education expenditures came in 49th place in 1992, ceding the 50th place it had held since at least 1986. Highway expenditures moved to 48th place in 1992, lower than at any time since before 1986.

STATE AND LOCAL GOVERNMENT GENERAL REVENUE

Data for state and local government general revenue is not available for 1992; however the pattern is not expected to be very different from the previous few years. Total general revenue and total taxes were the lowest in the nation through 1991 with a very high reliance on property tax as a portion of total taxes (70.1% in 1991) and as a portion of general revenue (43.3%). Because of the large infusion of federal funds from the Medicaid Enhancement Tax, the importance of property taxes as a portion of taxes and revenues was likely to be diminished and thus New Hampshire may have a lower national rank in those categories for 1992.

PROPERTY VALUATION, EQUALIZED

According to the New Hampshire Department of Revenue Administration's Equalization Surveys, equalized valuation of properties in New Hampshire showed growth of 5.4% in 1989; subsequent years have recorded the downturn in the real estate markets with losses of 4.4% in 1990, 8.9% in 1991, and a slightly less steep 7.2% loss in 1992.

The property tax assessment ratio likewise recorded the decline of real estate sales values. In 1989 property evaluations for taxes statewide averaged 62.7% of market value; by 1992 property tax assessments averaged 101% of market value. Because the market value of property dropped, the full value tax rate per $1,000 rose from $15.67 in 1989 to $22.88 in 1992. The Equalized Property valuation per capita (in 1983 dollars) began showing a loss in 1989 (at $56,235) and declined to $38,930 in 1992, losing 13% of equalized property valuation for each state resident.

UNEMPLOYMENT INSURANCE TAX

According to New Hampshire Employment Security reports, federal and state average unemployment insurance taxes per insured worker in private industry were $109 in 1989. With the subsequent high level of recession-related unemployment, benefits paid out exceeded taxes paid in. To avoid depleting the Trust Fund, Unemployment Compensation law changes were introduced. The average tax reflected these changes: by 1992, taxes collected for each covered employee reached $182. (See the section on Labor Force and Unemployment).

Ricia Velasco

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[1] New Hampshire Department of Revenue Administration
[2] New Hampshire Department of Revenue Administration
[3] David M. Law and Donna M. Gaudet, "The Business Enterprise Tax: Will You Have to Pay?" ***Business NH*** Sep. 1993: 41.
[4] Donn Tibbetts, "NH Wooing of Mass. Liquor Buyers Blasted," ***The Union Leader*** [Manchester, N.H.] 23 July 1993: 6.
[5] Donn Tibbetts, "Turnpike Tolls Brought in Record $45.4 Million," ***The Union Leader*** [Manchester, N.H.] 15 Sep. 1993: 8.
[6] Donn Tibbetts, "Sweeps Revenues Hit New High," ***The Union Leader*** [Manchester, N.H.] 20 Aug. 1993.

12. GOVERNMENT REVENUES AND EXPENDITURES	1989	1990	1991	1992	Source
STATE GOVERNMENT GENERAL REVENUE					
Total ($ millions)(FY ending 6-30)	$1,492.2	$1,563.3	$1,701.5	$2,303.2	CB
Taxes	$613.2	$595.3	$624.6	$856.2	CB
From Federal Government	$352.8	$373.6	$441.2	$733.0	CB
PER $1,000 PERSONAL INCOME:					
New Hampshire	$70.75	$69.66	$73.51	$95.82	CB
United States	$119.40	$118.84	$118.68	$125.73	CB
United States rank:					
Total general revenue	50	50	50	49	CB
From taxes	50	50	50	50	CB
From Federal Government	50	50	48	37	CB
UNRESTRICTED REVENUE TO STATE GENERAL FUND ($ thousands)(FY ending 6-30)					
Total unrestricted revenue	$570,849	$562,172	$628,684	$748,304	AS
Selected unrestricted general fund tax revenues					
Business profits	$143,261	$110,981	$112,035	$91,604	AS
Meals and rooms	$81,809	$83,803	$89,803	$92,078	AS
Real estate transfer	$29,679	$32,319	$28,893	$35,105	AS
Tobacco	$31,466	$38,169	$39,540	$39,377	AS
Interest and dividends	$36,025	$40,731	$37,413	$34,608	AS
Estate and legacy	$30,354	$24,282	$23,398	$28,128	AS
Telephone/Communication	$9,510	$12,788	$22,231	$27,762	AS
Utilities franchise	$8,383	$8,194	$10,114	$22,998	AS
Medicaid enhancement	-	-	$35,030	$156,271	AS
Liquor sales and distribution	$51,969	$55,100	$58,549	$62,493	AS
STATE GOVERNMENT GENERAL EXPENDITURES					
Total ($ millions) (FY ending 6-30)	$1,613.0	$1,676.3	$1,748.8	$2,452.8	CB
PER $1,000 PERSONAL INCOME:					
New Hampshire	$76.48	$74.70	$75.55	$102.04	CB
United States	$116.16	$116.65	$119.29	$127.10	CB
State ranks:					
Total general expenditures	50	50	50	46	CB
Education	50	50	50	49	CB
Public welfare	46	48	48	35	CB
Highways	39	43	45	48	CB
STATE & LOCAL GOVERNMENT GENERAL REVENUE PER $1,000 PERSONAL INCOME (FY ending 6-30)					
Total general revenue	$136.93	$136.75	$148.03	N.A.	CB
United States rank (including D.C.)	51	51	51	N.A.	CB
Total taxes	$84.55	$83.54	$91.40	N.A.	CB
United States rank (including D.C.)	51	51	50	N.A.	CB
Property tax	$55.51	$56.89	$64.03	N.A.	CB
United States rank (including D.C.)	3	4	1	N.A.	CB
Percent of total taxes	65.7%	68.1%	70.1%	N.A.	CB
Percent of general revenue	40.5%	41.6%	43.3%	N.A.	CB
United States rank (including D.C.)	1	1	1	N.A.	CB
PROPERTY VALUATIONS, EQUALIZED					
State total equalized valuation ($ millions)	$77,379	$73,966	$67,377	$62,518	RA
Percent change	5.4%	-4.4%	-8.9%	-7.2%	
Percent in Hillsborough & Rockingham Counties	52.7%	53.0%	53.1%	52.6%	RA
Property tax assessment ratio	62.7%	75.4%	91.1%	101.0%	RA
Full value tax rate per $1,000	$15.67	$18.02	$20.63	$22.88	RA
Equalized Property valuation per capita (1983 dollars)	$56,235	$51,050	$44,723	$38,930	DES
Annual percent change	-1.6%	-9.2%	-12.4%	-13.0%	DES
UNEMPLOYMENT INSURANCE TAX					
Average tax per worker (federal & state) in private covered employment	$109	$108	$113	$182	DES

* *Preliminary estimates.*

13. INCOME, WAGES, AND COST OF LIVING

NET EARNINGS INCREASE BOOSTS PERSONAL INCOME

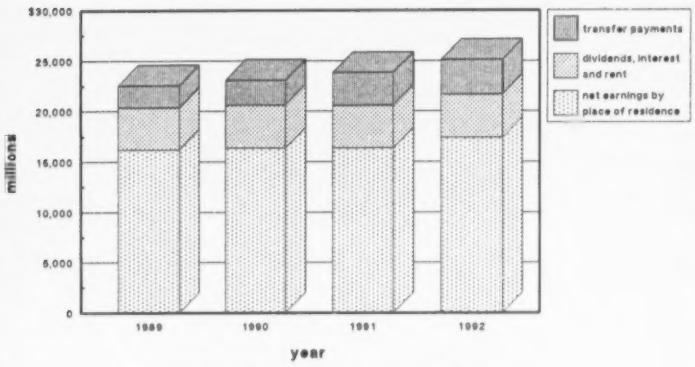

Figure 13.a: COMPONENTS of PERSONAL INCOME
in NEW HAMPSHIRE 1989 through 1992

Income and wages in New Hampshire had percentage increases between 1991 and 1992 that exceeded the percentage increase in the Consumer Price Index, which is a common measure for inflation. This is yet another indicator that the recession has come to an end. Wage and salary disbursements, a segment of total personal income, for the second quarter of 1993 continues to show marked improvement. Wholesale trade and services wage and salary payments increased once again. Even more good news in 1993 is that wage and salary disbursements in the construction industry, when comparing second quarter to second quarter, had its first increase in four consecutive years. As has been stated on many occasions and by many people, as goes the construction industry so goes the economy.

Total personal income for New Hampshire residents went up by 5.2 percent between 1991 and 1992. This was slightly higher than the average for New England residents (up 4.7%) and one percentage point lower than the national average. The components of total personal income are: net earnings by place of residence; dividends, interest, and rent; and transfer payments. Net earnings accounted for 69.3 percent of total personal income in 1992, up from 68.6 percent in 1991 and transfer payments increased by one-tenth of a percentage point, ending the calendar year 1992 at 13.8 percent. Dividends, interest, and rent experienced its third consecutive decline, finishing the year at 16.9 percent of total personal income. Of the three components, dividends, interest, and rent is the only one to continue to show the effects of the recession. These same trends are also occurring in the New England States and the United States. Except for transfer payments, the New Hampshire share of total personal income for the other two components remained above the regional and national share. Transfer payments income includes Social Security Payments, unemployment compensation, state welfare payments, and locally-funded General Assistance.

Per capita personal income for New Hampshire residents increased by $1,000 in 1992 to reach a level of $22,596. This level of income was high enough to keep our state ranked sixth best in the nation for the third consecutive year. The United States per capita personal income was $20,114 for 1992 and the New England average was $23,488. Three of the six New England states were ranked in the top ten for the highest per capita income in 1992; Connecticut was ranked first with $27,137; Massachusetts was ranked fourth with $23,811; and New Hampshire was sixth. All of the New England states had increases in per capita personal income from 1991 and all were at least 90 percent of the national average.

Total wages paid in covered employment, private and public, rebounded from the slump of 1991 to finish the following year with a record high $11,843 million. The services industry had the largest numerical increase (up $205 million), followed by

REAL HOUSEHOLD INCOME ON THE RISE IN THE THREE NORTHERNMOST NEW ENGLAND STATES BUT STILL FALLING IN THE THREE SOUTHERNMOST

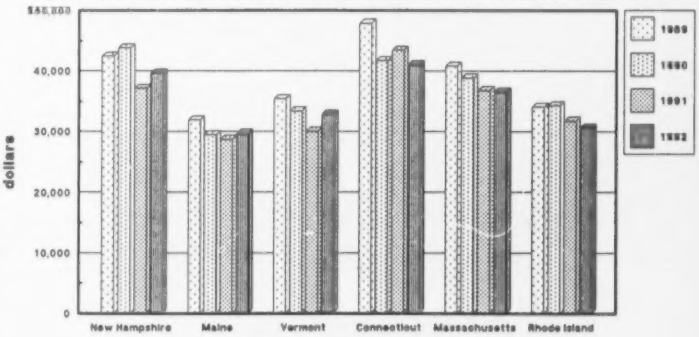

Figure 13.b: MEDIAN HOUSEHOLD INCOME
NEW ENGLAND STATES COMPARED 1989 to 1992
in CPI-U-X1 CONSTANT DOLLARS

13. INCOME, WAGES, AND COST OF LIVING	1989	1990	1991	1992	Source
TOTAL PERSONAL INCOME ($ millions)	$22,578	$23,120	$23,852	$25,100	BEA
Components:					
Net Earnings *	71.6%	70.8%	68.6%	69.3%	BEA
Dividends, interest, rent	18.5%	18.4%	17.7%	16.9%	BEA
Transfer payments	9.9%	10.8%	13.7%	13.8%	BEA
PER CAPITA PERSONAL INCOME	$20,422	$20,802	$21,596	$22,596	BEA
United States rank (including D.C.)	7	6	6	6	BEA
Annual percent change	3.9%	1.8%	3.7%	4.4%	BEA
PER CAPITA DISPOSABLE INCOME	$18,244	$18,691	$19,427	$20,311	BEA
MEDIAN HOUSEHOLD INCOME (FY)					
New Hampshire	$42,466	$43,802	$37,117	$39,644	CB
Connecticut	$47,884	$41,725	$43,423	$41,059	CB
Maine	$31,931	$29,481	$28,707	$29,705	CB
Massachusetts	$30,830	$38,909	$36,789	$36,558	CB
Rhode Island	$34,084	$34,316	$31,764	$30,636	CB
Vermont	$35,409	$33,382	$30,033	$32,829	CB
From "Covered" Employment Data:					
TOTAL WAGES in employment covered by unemployment compensation ($ millions)					
Private and public employers	$11,169	$11,222	$11,139	$11,843	DES
Annual percent change	3.8%	0.5%	-0.7%	6.3%	DES
AVERAGE WEEKLY WAGES IN PRIVATE EMPLOYMENT covered by unemployment compensation					
All industries (annual average)	$413.13	$432.37	$449.90	$473.13	DES
United States rank (including D.C.)	20	17	16	17	BLS
Annual percent change	3.4%	4.7%	4.1%	5.2%	DES
Manufacturing	$531.72	$569.02	$587.42	$626.44	DES
Construction and mining	$474.66	$484.04	$487.61	$506.50	DES
Transportation, communications, utilities	$523.01	$552.36	$581.68	$618.94	DES
Trade, wholesale and retail	$301.98	$310.64	$322.68	$338.33	DES
Finance, insurance, and real estate	$481.06	$498.15	$530.68	$581.17	DES
Services and other	$378.69	$399.78	$420.99	$438.41	DES
From the Current Employment Survey:					
AVERAGE WEEKLY EARNINGS of Production workers in Nonagricultural Employment	$427.24	$441.86	$446.61	$466.75	BLS
United States rank (including D.C.)[1 = Highest]	24	25	30	27	BLS
U.S. PRICE INDICES:					
CONSUMER PRICE INDEX, All Urban Consumers, (CPI-U), Year End (December each year)	126.1	133.8	137.9	141.9	BLS
December to December percent change (U.S.,1982-4 = 100)	4.6%	6.1%	3.1%	2.9%	BLS
IMPLICIT PRICE DEFLATOR FOR GNP (1987=100)	108.5	113.3	117.7	121.1	BEA
Percent change	4.2%	4.2%	3.9%	2.9%	

* *Wages and salaries, other labor income, proprietor's income by place of work less personal social insurance adjusted for place of residence.*

WHY INDUSTRIAL DEVELOPMENT EFFORTS USUALLY FOCUS ON ATTRACTING MANUFACTURING EMPLOYERS

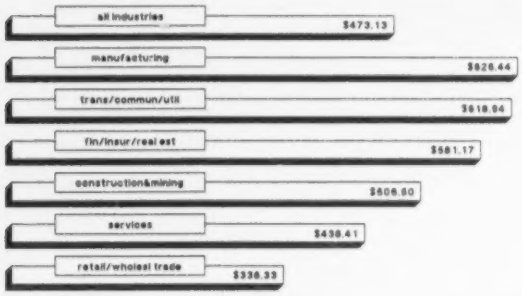

Figure 13.c: 1992 AVERAGE WEEKLY WAGES in NEW HAMPSHIRE COVERED EMPLOYMENT by INDUSTRY

Average weekly wages in private covered employment experienced an overall increase of 5.2 percent between 1991 and 1992, with increases ranging from a high of 9.5 percent in the finance, insurance, and real estate sector to a low of 3.9 percent in the construction and mining sector. The overall percentage increase was the largest year to year increase since 1987-1988, when it went up 7.0%. This was also the second consecutive year in which the increase in the average private covered weekly wage outpaced the increase in the Consumer Price Index. The highest average weekly wage in 1992 was in the manufacturing sector ($626.44) and the lowest was in the wholesale and retail trade sector ($338.33). This ranking is traditional among the various industries. Among the New England states, our average weekly wage for private covered employment ($473) placed us third, behind Connecticut at $624 and Massachusetts at $568.

the manufacturing industry (up $171 million), and then the trade industry (up $161 million). The only major industry to suffer a setback between 1991 and 1992 was the construction industry with a loss of $9.5 million. Covered employment represents those jobs in New Hampshire that are covered by unemployment compensation as opposed to wage and salary disbursements which represents the jobs in New Hampshire, regardless of their coverage under the unemployment compensation laws. This explains the apparent discrepancy between the wages in the construction industry, many jobs not being covered employment, listed here and those listed in the first paragraph of this section.

All of this is heartening news, for everyone, during a time when the Consumer Price Index increased by only 2.9 percent. Of the commodities measured, medical care costs rose the highest (up 6.6%) and apparel and upkeep costs had the smallest increase (up 1.4%). Medical care costs include prescription drugs, medical care services, professional services, and hospital and related services. The increase in the overall Consumer Price Index is the second smallest during the past ten years. The smallest increase occurred between December 1985 and December 1986 when the rise was 1.1 percent.

Doris Lachance

14. SOCIAL ASSISTANCE

The economic conditions in New Hampshire in 1992 did not provide relief from the hardships of job losses, poor employment prospects, and low dividends from interest-bearing assets for many persons.

The percentage of the New Hampshire population that reported income levels (including transfer payments such as Social Security and Unemployment Compensation) below the national poverty threshold rose to 8.6% in 1992, above the 7.3% reported in 1991, according to the U.S. Census Bureau. Still, New Hampshire had the lowest percentage of the population living in poverty of any New England state for 1991 and 1992. By contrast, Maine has had the highest percentage of its population living below the poverty threshold each year since 1987, relative to the other New England states. The percentage of U.S. population living below the poverty threshold was greater than that of any of the New England states in the period 1989 through 1992 in spite of the regionally severe recession conditions. This income data is self-reported on the Current Population Survey conducted in March each year, requesting the income amount for the previous year; relatively small sample sizes means that there are relatively large standard errors and the data should be used with caution. The national poverty threshold depends on family size and age: for 1992, for a family of four it was $14,343; for one person under 65 years of age it was $7,299 and $6,729 for over 65 years old.

The total welfare cases data includes all programs which provide money and/or benefits from the state-federal partnership which is managed by the New Hampshire Division of Health and Human Services. The programs include Aid To Families With Dependent Children (AFDC), Aid to the Needy Blind (ANB), Aid to the Permanently and Totally Disabled (APTD), Foster Care (FC), Old Age Assistance (OAA), and various medical assistance programs. The total number of welfare cases in 1992 was 28,273, higher than any year since at least 1986. The good news is that caseload increases have slowed considerably: 906 cases were added in 1992, fewer than the 5,093 cases added in 1991. The AFDC program now includes cases qualifying under the Unemployed Parent eligibility, instituted in December 1990, whereby both parents can be in the home and qualify based on meeting low income guidelines. AFDC caseloads totalled 12,420 in 1992, growing by only 450, a clear improvement over the 3,116 cases added in 1991. Increases in AFDC caseload numbers were likely a result of the poor job opportunities of the recession. Caseloads for those qualifying for the Aged 65 and Over program rose slightly to 7,747 in 1992. Increased caseloads here may be more tied to lower interest rates, lower real estate values, and increasing numbers of the elderly, and less tied to poor job prospects. APTD (disability) caseload totals increased by 517 in 1992, to a level of 5,771. The number of persons on welfare climbed to 54,462 in 1992, rising 7,267 from 1991; this increase is less than the 12,047 cases added from 1990 to 1991.

For the number of AFDC recipients per 1,000 population, New Hampshire was 4th lowest nationally in 1992 with 25.9; this was a substantial increase from the 12.1 per 1,000 population of 1989 when we were the lowest in the U.S. All the New England states showed a pattern of increasing from 1991 to 1992, but the increase was less than the year-to-year change for either of the two previous years.

THE SOCIAL SECURITY ADMINISTRATION ESTIMATES THAT BENEFITS PAID TO NH RESIDENTS IN 1992 TOTALED $1.2 BILLION

Figure 14.a: ESTIMATED TOTAL SOCIAL SECURITY BENEFITS PAID to NEW HAMPSHIRE RESIDENTS in 1992 by PROGRAM

According to the U.S. Department of Health and Human Services, for the New Hampshire AFDC program in the federal fiscal year 1992, there were 10,358 adult recipients and 17,915 child recipients. Total AFDC expenditures were $58.7 million of which $54.4 million were paid out for maintenance assistance payments. The federal government paid 50% of all expenditures for the AFDC program. The average monthly payment was $432.35 per case, $160.56 per recipient. The U.S. average monthly payment was $383.49 per case and $134.21 per recipient. New Hampshire was 39th lowest in the U.S. for the average monthly payment per case; the northern states tended to have the higher benefit levels presumably to account for heating costs. Maine's average monthly payments per case and per recipient were lowest in New England and New Hampshire's were second lowest. The average monthly administrative cost per family was $33.57, compared with the U.S. average of $46.01 per family. Other New England states also had low relative administrative costs;

this may reflect increased caseloads (from the recession) handled with a relatively fixed level of staffing.

Data for federal fiscal year 1991, again according to the U.S. Department of Health and Human Services, gives a profile of AFDC recipients in New Hampshire. There were typically 2.8 recipients for each AFDC case, with 85.3% of these households headed by the mother. Forty-seven percent of these families had a youngest child aged between birth and 2 years of age; 22.8% had a youngest child aged between 3 and 5 years; and the remaining 29.7% had all children over 6 years of age. The age of the youngest child often affects labor force participation. New Hampshire has a strong work or training requirement: all adults (receiving AFDC) whose youngest child is aged three or older must participate in some approved training or work search activity. This has resulted in an AFDC population with a relatively high proportion of cases where the youngest child was aged 2 years and under; in fact, New Hampshire ranked in fifth place nationwide. Conversely the number of AFDC cases in which the youngest child was aged 6 years and over was very low, one indication that the work/training requirement has been effective; only one state had a smaller proportion of its AFDC population with the youngest child aged 6 years and older. More than 87% of AFDC recipients also receive food stamps and 26.4% receive some form of subsidy for housing.[1]

Eligibility for the Food Stamp Program is based on financial need and food stamps are often issued in conjunction with AFDC, Unemployment Compensation, other assistance programs, and part-time work. The annual average number of people receiving food stamps rose to 57,159 in 1992, increasing from 47,595 in 1991. Thankfully, the increase in food-stamp recipients was slowing: by December 1992 the over-the-year increase was only 4,220 as compared with the over-the-year increase to December 1991 of 15,356. As a measure of the ongoing need for assistance by the low-income population, this data illustrated the persistence of the recession's effects. The acronym for Social Security, OASDI, reveals the three programs through which it disperses benefits: Old Age, Survivors, and Disablity Insurance. OASDI often provides benefits for dependents of those that are eligible; thus the number of beneficiaries exceeds the number of people with a specific eligibility. The average number of Social Security recipients each month who are retired workers (in the Old Age program) increased at a fairly stable rate, averaging around 2.7% growth per year for 1989 through 1992 in New Hampshire. On the other hand, the number of those receiving disability benefits increased 6.3% from 1989 to 1990, 7.9% from 1990 to 1991, and 12% from 1991 to 1992; recession-related job losses may have contributed to this growth. Survivor benefit numbers are much more erratic and have averaged growth of only 1.3% from 1989 to 1992. Of the 129,010 people aged 65 years and older and receiving Social Security benefits, nearly 60 percent were women in 1992, consistent with the averages over the previous three years. There were 9,100 children, aged 17 years and under, receiving Social Security benefits in New Hampshire in December 1992 from the various programs.

The median amount paid for retired workers Social Security monthly benefits rose 14.9% from 1989 through 1992 (all December data) and was $654.90 in 1992. Disabled workers saw an increase of 12.6% from 1989 to 1992, receiving a median amount of $606.50 in Social Security monthly payments in 1992. For nondisabled widows and widowers, median payments rose 17.1% from 1989 to 1992, and was $622.00 in 1992. For comparison, the Consumer Price Index rose 12.5% from December 1989 through December 1992.

Ricia Velasco

[1] Diann Dawson, ***Overview of the AFDC Program, Fiscal Year 1992***, U.S. Department of Health and Human Services, October 1993.

14. SOCIAL ASSISTANCE	1989	1990	1991	1992	Source
POVERTY					
Persons below poverty percent of population					DES/CB
Caution: relatively large standard errors					
New Hampshire	7.7%	6.3%	7.3%	8.6%	CB
Connecticut	2.9%	6.0%	8.6%	9.4%	CB
Maine	10.4%	13.1%	14.1%	13.4%	CB
Massachusetts	9.0%	10.7%	11.0%	10.0%	CB
Rhode Island	6.7%	7.5%	10.4%	12.0%	CB
Vermont	8.0%	10.9%	12.6%	10.4%	CB
United States	12.8%	13.5%	14.2%	14.5%	CB
WELFARE (Annual averages)					
Total cases (same day each month)	19,114	22,274	27,367	28,273	DHS/DES
Aid to families with dependent children (AFDC)	6,262	8,854*	11,970*	12,420*	DHS/DES
Age 65 or over	6,843	7,048	7,429	7,747	DHS/DES
Disabled or blind	4,787	4,972	5,254	5,771	DHS/DES
Persons on welfare (averages of 1 day/month)	28,646	35,148*	47,195*	54,462*	DHS
Annual percent change	10.9%	22.7%	34.3%	15.4%	DHS
AFDC RECIPIENTS PER 1,000 POPULATION (July data)					
New Hampshire	12.1	16.0	23.1	25.9	SSA
United States rank (1=lowest)	1	1	3	4	SSA
Connecticut	32.3	38.4	45.6	47.9	SSA
United States rank	23	26	29	27	SSA
Maine	42.3	46.9	52.9	54.4	SSA
United States rank	38	38	39	37	SSA
Massachusetts	41.0	44.6	50.1	51.6	SSA
United States rank	35	36	35	34	SSA
Rhode Island	42.3	47.8	56.4	59.7	SSA
United States rank	38	41	41	42	SSA
Vermont	34.7	40.2	48.9	50.4	SSA
United States rank	26	32	33	33	SSA
SOCIAL SECURITY RECIPIENTS (December data)					
Total OASDI including spouses and children	158,020	162,120	166,940	172,250	SSA
Annual percent change	1.7%	2.6%	3.0%	3.2%	SSA
Retirement (Retired workers)	108,900	111,850	114,730	117,840	SSA
Survivor (Widows, Widowers and Parents)	17,940	18,110	18,550	18,640	SSA
Disability (Disabled workers)	10,080	10,710	11,560	12,950	SSA
Age 65 and over	119,500	122,420	125,970	129,010	SSA
% of total OASDI recipients	75.6%	75.5%	75.5%	74.9%	SSA/DES
Age 65-69 years	36,180	36,960	37,910	38,910	SSA
Age 70-74 years	31,150	31,800	32,760	33,640	SSA
Age 75 years and older	52,170	53,660	55,300	56,460	SSA
% Women	59.9%	59.9%	59.7%	59.6%	SSA/DES
Children aged 17 and under	8,140	8,270	8,730	9,100	SSA
Monthly OASDI benefit amount (median)					
Retired workers	$569.90	$606.40	$631.40	$654.90	SSA
Non-disabled widows and widowers	$531.00	$569.80	$592.70	$622.00	SSA
Disabled workers	$538.50	$567.30	$582.50	$606.50	SSA

Includes new (in 1990) category of persons in families with unemployed parent in household.

15. HEALTH NEEDS

NEW HAMPSHIRE INPATIENT DAYS, THOUGH STILL LOW, RISE, CONTRARY TO REGIONAL AND NATIONAL TRENDS

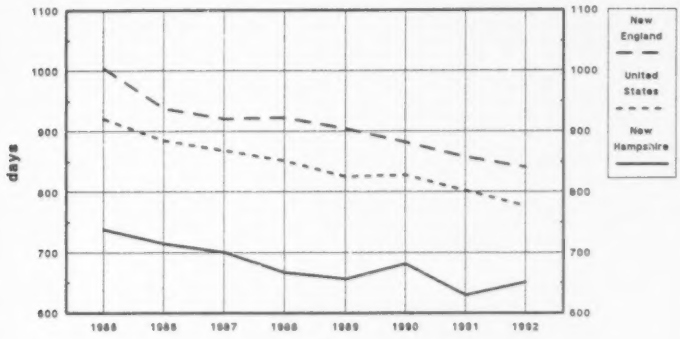

Figure 15.a: INPATIENT DAYS per 1,000 POPULATION NEW HAMPSHIRE, NEW ENGLAND & the UNITED STATES 1986 to 1992

The trend in health care and services in recent years has been toward increased outpatient services and lessening the burden of long-term inpatient care in hospitals. The trend has taken on an additional measure by providing highly advanced medical procedures, placing more focus on home recuperation, and providing home care supported by professional nursing and therapy care givers. The creation of better techniques and procedures has produced progress in outpatient services, and inpatient procedures are sustained by dramatically reduced recovery time and shortened hospital stays. However, it is not just a care related decision to promote change in the health industry. The economy and the effects of a lingering recession have been influential forces in the change process. Difficult business decisions have caused hospitals to cut back, reducing the number of beds and trimming staff. Area hospitals reported inpatient days down 10 percent or more in 1993. However, less inpatient time, better care and procedures, or just fewer patients are not strictly the results of business decisions. There are indications the state of the economy induced some New Hampshire residents to put off elective surgery because of no health insurance or being unwilling to take sick time because of concerns over job security.[1]

Health care as an occupation field is growing and will continue to grow as projected out to year 2005. Growth figures indicate the health services field will expand to 20,380 in the next twelve years, an average of 3.3 percent annual growth. Five of the ten fastest growing occupations will be health care related, according to projections.[2] Colleges and technical schools offering health care curriculums are producing more graduates (see section 2). The change in the medical field is swinging to managed care by health care providers, either in medical facilities or at home. The direction of growth in health services is headed towards enhanced at-home care for patients recovering and for those requiring on-going attention. Home care agencies are experiencing increases of 30 to 50 percent. As the population ages and hospital inpatient days are further reduced, home care agencies should continue to benefit and provide employment opportunities for health care professionals. Nursing homes for the aged are taking care of more serious cases as home procedures are improved and made available for less serious situations. Shortages of physical and occupational therapists are being felt and will be proliferated by lack of education programs in schools around the state.[3]

We are living in the nineties in the richest country in the world. Concerns about large numbers of hungry children should be a non-health issue, but a recent study concludes otherwise. The study conducted by Tufts University in Massachusetts reported 21,000 children in New Hampshire went hungry in 1991, an alarming rate of 7.2 percent of the state's children under 18. Although this may be an astounding figure for New Hampshire, this was the only state to have a rate under 10 percent. In other words, New Hampshire had the lowest rate (ie...number 1) in the nation. The study reported that nationally the number of hungry children was more than 12 million, with the worst state reported as having 34.3 percent of its children hungry. For New Hampshire it makes for a "best of the worst" situation. Other studies support the nation's and New Hampshire's plight. One 1992 report indicated we had the lowest percent of children in poverty in the 1980s, 7 percent in 1989. Another found that 5.8 percent of children under 12 were hungry, with an additional 6.8 percent at risk. Still another 1993 report showed 7.1 percent of New Hampshire's children lived in poverty in 1989. Spokespersons for Child and Family Services in New Hampshire indicate the recessional years and the fallout from that period may only add to the problem as food stamps and Aid to Dependent families has risen sharply. In an era of debate on national health care, technological advances, and an aging population, serious concerns can be raised for the health of our young people because of poor nutrition. What effect will it have on their ability to learn in school, and what will be the effect on their overall growth as they approach their adult years?[4]

During 1992 health services provided for acute care experienced an increase in inpatient days of 27,738 to total 723,130. The number of inpatient days per thousand popuiation (650.9), increased slightly in New Hampshire while

15. HEALTH NEEDS	1989	1990	1991	1992	Source
HOSPITAL INSURANCE					
Medicare:					
Aged	123,000	125,000	128,000	131,000	SSA
Disabled	11,000	11,000	12,000	13,000	SSA
Average covered charge per day of care					
Short-stay hospitals:					
New Hampshire	$904	$1,021	$1,194	$1,219	SSA
New England	$860	$988	$1,144	$1,283	SSA
United States	$1,003	$1,110	$1,280	$1,458	SSA
Skilled nursing facilities:					
New Hampshire	$178	$212	$246	$271	SSA
New England	$140	$164	$189	$217	SSA
United States	$156	$184	$229	$264	SSA
Medicaid:					
Average payments per recipient					
New Hampshire	$5,079	$5,423	$5,079	$4,779	SSA
New England	$3,982	$4,355	$3,981	$4,201	SSA
United States	$2,318	$2,568	$2,318	$2,937	SSA
WORKERS COMPENSATION, PAYMENTS					
Reported injuries & compensable disabilities					
Injuries per 100 in employment (FY)	12.6	11.7	11.1	11.1	LD
Compensable injuries per 100 in employment (FY)	2.4	2.3	2.2	2.4	LD
Benefits paid by insurance companies and self insurers					
(Calendar year, $ millions)	$160.3	$172.4	$206.1	$203.2	LD
Annual percent change	10.9%	7.5%	19.5%	-1.4%	
HEALTH SERVICES - General Hospitals, acute care only (excludes nursing home beds)					
Total number of inpatient days	727,144	727,450	695,392	723,130	HA
Inpatient days per 1,000 population:					
New Hampshire	656.9	656.0	629.3	650.9	HA
New England	905.0	880.7	858.2	840.9	HA
United States	826.1	828.7	801.8	777.4	HA
Average length of stay (in days):					
New Hampshire	5.9	5.9	6.1	6.3	HA
New England	7.4	7.2	7.0	6.8	HA
United States	6.7	6.6	6.5	6.4	HA
TOTAL EXPENSE/ADJUSTED HOSPITAL ADMISSION					
New Hampshire	$4,152	$4,544	$4,979	$5,491	HA
Percent change	16.1%	9.4%	9.6%	10.3%	
New England	$5,337	$5,514	$6,072	$6,421	HA
Percent change	12.8%	3.3%	10.1%	5.7%	
United States	$4,658	$4,947	$5,475	$5,943	HA
Percent change	9.4%	6.2%	10.7%	8.5%	

LENGTH OF AVERAGE HOSPITAL STAY INCREASES IN NEW HAMPSHIRE WHILE IT DECLINES IN U.S. & NEW ENGLAND

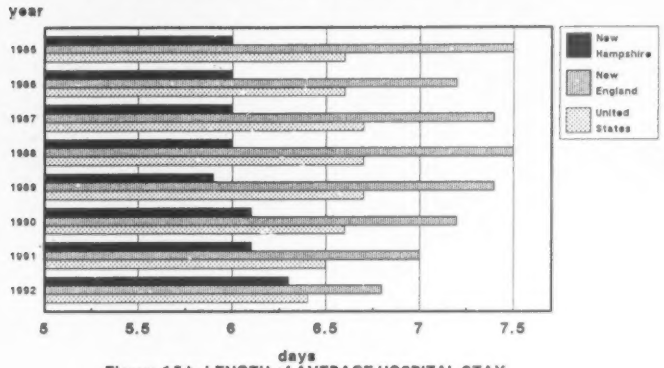

Figure 15.b: LENGTH of AVERAGE HOSPITAL STAY
GENERAL HOSPITALS, in DAYS - 1985 to 1992
NEW HAMPSHIRE, NEW ENGLAND & the UNITED STATES

decreasing in New England and the nation. However, the state rate remained far below the region and national rates. The biggest contributor to this increase was the state's largest hospital, the Dartmouth-Hitchcock Medical Center in Lebanon, which had a 10 percent jump in inpatient days. They had just moved from Hanover to their brand new facility, in Lebanon, in the fall of 1991. With shiny new equipment and amenities, added staff, and the splash of publicity following their opening, they may have attracted additional patients who might have otherwise turned to hospitals in Vermont or Massachusetts. Two other hospitals saw significant increases in inpatient days: the Lakes Region General Hospital in Laconia - up 9 percent, and the Parkland Hospital in Derry - up 7 percent.

The average length of stay for acute care cases was 6.3 days, up slightly from 1991. The rest of the region and the U.S. declined in length of stay days. Early data for 1993 suggests that inpatient days at New Hampshire hospitals are falling and lengths of stay are shortening with the continued national attention focused on the high cost of health care. In addition to shorter stays, this is also leading to more outpatient procedures.

The Medicare Program provides hospital insurance and supplementary medical insurance for persons eligible for retirement benefits and who have attained age 65. The number of New Hampshire residents eligible for hospital benefits reached 131,000 in 1992. The number was 128,000 in 1991. The amount of increase is consistent with other Medicare statistics over the span of the four year window. The average covered charge per day of care in short-stay hospitals rose slightly in 1992 to $1,219. New Hampshire's charge per day rate was lower than the New England average by $64, and a whopping $239 per day lower than the U.S. average. Charges per day for skilled nursing facilities on the other hand, were $271, higher than the New England and the U.S. averages.

Medicaid payments per recipient declined for the second straight year in New Hampshire. The cause may be related to the economy as the number of welfare recipients and those without medical insurance have increased the last few years, thereby producing more recipients overall receiving Medicaid. The average payment per recipient for New England and the nation rose by 5.5 percent and 26.7 percent, respectively, after both had dipped in 1991.

The rates of reported injuries and Workers Compensation payments for 1992 remained approximately the same as the previous year. The rate of injuries per 100 in employment (11.1) remained unchanged, while the compensable injuries per 100 increased slightly to 2.4. The amount of benefits paid out decreased $2.9 million in 1992, resulting in a 1.4 percent decline. The calendar year payments amounted to $203.2 million, compared with $206.1 million in 1991. At the national level fatalities in the workplace, especially those caused by assaults and violent acts, have received widespread attention by the media. These tragedies have occurred in divergent locations such as governmental agencies and fast food restaurants. The Bureau of Labor Statistics recently released a 1992 report of fatal occupational injuries. This report recounts that of 6,083 fatalities in 1992, 1,216 (20 percent), were results of assaults

HOSPITAL EXPENSES CONTINUE ON STEADY INCLINE

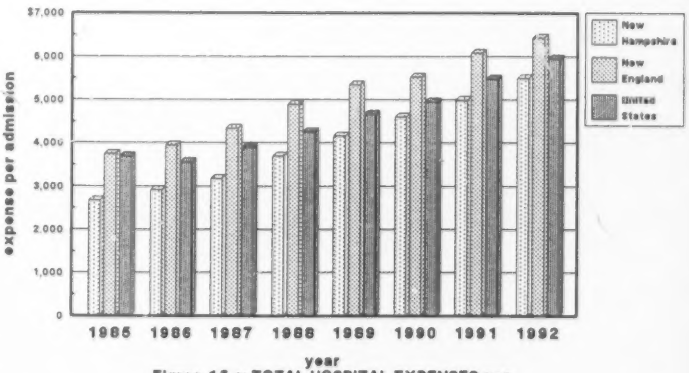

Figure 15.c: TOTAL HOSPITAL EXPENSES per
ADJUSTED HOSPITAL ADMISSION - 1985 to 1991
NEW HAMPSHIRE, NEW ENGLAND & the UNITED STATES

or violent acts. Most were homicides (1,004), results of stabbings or shootings. Assault and violent acts data at the state level are difficult to compare because of population sizes and industrial differences, and for that reason states will be expected to release their own reports.[5]

Charles K. Hood

[1] Wise, Dan. "Health Care Employees Go Home." ***Business New Hampshire***, October 1993: pg. 44-49.

[2] ***New Hampshire Employment Projections by Industry and Occupation: Base Year 1990 to Projected Year 2005***. Economic and Labor Market Information Bureau, New Hampshire Employment Security, June 1992.

[3] Wise, Dan. "Health Care Employees Go Home." ***Business New Hampshire***, October 1993: pg. 44-49.

[4] Cousineau, Michael. "NH Boasts Lowest Child-Hunger Rate." ***The Union Leader***, [Manchester, NH]. 16 Jun. 1993: pg. 1.

[5] Toscano, Guy, and Janice Windau. "Fatal Work Injuries: Results From the 1992 National Census." ***Monthly Labor Review***. U.S. Department of Labor, October 1993: pg. 39-48.

16. CRIME AND ACCIDENTS

CRIME WAS DOWN THROUGHOUT NEW ENGLAND IN 1992

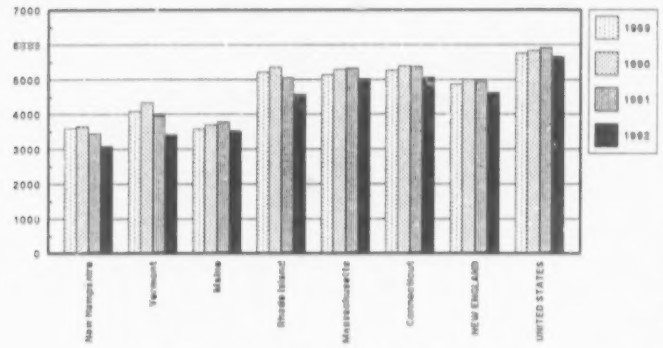

Figure 16.a: RATE OF CRIME RATE
PER 100,000 POPULATION, 1989 TO 1992

The total crime index for New Hampshire, according to the 1992 Uniform Crime Report from the U.S. Department of Justice, continues to record the lowest amount of crime in New England at 3,081 for every 100,000 people in the state for 1992. However, the violent crime index rose 5.4 percent in 1992, from 119.3 per 100,000 residents to 125.7. The only other state in New England to register an increase in the violent crime index was Massachusetts, up 5.8 percent. While the murder and robbery categories of violent crime in New Hampshire fell, during 1992, forcible rape and aggravated assault were up 12.5 and 9.9 percent respectively.

According to the Uniform Crime Reporting Subsystem from the New Hampshire Department of Safety, juvenile arrest for drugs was up 15.3 percent in 1992, while violent crime arrest for teens was also up 7.3 percent. Adult arrest for drugs between 1991 and 1992 climbed 16.5 percent, from 1,839 arrested in 1991 to 2,143 arrested in 1992, while violent crime arrests for adults showed only a slight increase during the same period, from 645 to 647 arrests.

By the end of 1992, the number of sentenced prisoners per 100,000 residents was 160, a new record for New Hampshire. New Hampshire ranks forty-sixth in the nation for the number of sentenced prisoners per 100,000 resident population under the jurisdiction of State or Federal correctional authorities (1st = highest number per 100,000 population). The state's prison population, however, increased 15.9 percent from a level of 1,533 in 1991 to an estimated population of 1,777 in 1992, ranking New Hampshire's growth third in the nation behind Texas (18.4%) and West Virginia (16.2%). Of the ten states with the largest percentage increase in prison population between 1987 and 1992, New Hampshire was ranked first at 105.0 percent.

Drugs are the largest single reason that men and women go to prison in New Hampshire. Of the 69 female inmates in the state prison system from 1990 to 1992, 31.3 percent were there because of drug-related crimes. In fiscal year 1992, 313 or 20.1 percent of the approximately 1,560 male inmates in the state prison were sentenced on charges of selling, manufacturing or possession of illegal drugs. No other area of crime comes close to those percentages.

Overall, New Hampshire's annual cost to house one inmate is approximately $15,900 a year for female inmates and roughly $17,550 a year for male prisoners.

Traffic accidents declined from 27,195 in 1991 to 25,688 in 1992, off 5.5 percent. Driving while intoxicated (DWI) arrest dropped 10.3 percent from 7,031 in 1991 to 6,304 in 1992. However, total injuries reported were up 23.2 percent from 9,630 in 1991 to 11,867 in 1992. Contributing factors to the increase in injuries are: 1) highway traffic is up approximately 4.0 percent; and 2) passenger and truck registration up 3.0 percent and 3.5 percent respectively in 1992. Fatal motor vehicle accidents totaled 111 in 1992, down from 136 in 1991, killing 123 people, with alcohol being attributable in 25.0 percent of these fatal accidents.

VIOLENT CRIME ROSE IN NEW HAMPSHIRE AND MASSACHUSETTS IN 1992

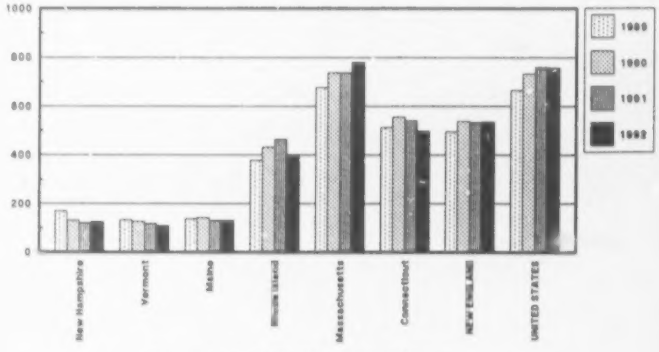

Figure 16.b: RATE OF VIOLENT CRIME
PER 100,000 POPULATION, 1989 TO 1992

Cleaven Ferguson, Jr.

16. CRIME AND ACCIDENTS	1989	1990	1991	1992	Source
Total crime offenses	39,810	40,435	38,098	34,225	FBI
Annual percent change	8.9%	1.6%	-5.8%	-10.2%	FBI
Violent crime offenses	1,865	1,459	1,318	1,397	FBI
Annual percent increase	15.0%	-21.8%	-9.7%	6.0%	FBI
Property crime offenses	37,945	38,976	36,780	32,828	FBI
Annual percent change	8.6%	2.7%	-5.6%	-10.7%	FBI
TOTAL CRIME INDEX (Rate per 100,000 population)					
New Hampshire	3,596.2	3,645.2	3,447.8	3,080.6	FBI
Connecticut	5,270.0	5,386.7	5,364.1	5,052.9	FBI
Maine	3,583.6	3,697.8	3,767.7	3,523.6	FBI
Massachusetts	5,136.0	5,297.9	5,322.3	5,002.9	FBI
Rhode Island	5,224.8	5,352.7	5,039.3	4,578.0	FBI
Vermont	4,088.5	4,340.9	3,955.2	3,410.0	FBI
United States	5,741.0	5,820.3	5,897.8	5,660.2	FBI
VIOLENT CRIME INDEX (Rate per 100,000 population)					
New Hampshire	168.5	131.5	119.3	125.7	FBI
Connecticut	511.8	553.7	539.7	495.3	FBI
Maine	137.2	143.2	132.1	130.9	FBI
Massachusetts	675.0	736.3	736.1	779.0	FBI
Rhode Island	378.0	431.9	462.0	394.5	FBI
Vermont	132.8	127.2	116.8	109.5	FBI
United States	663.1	731.8	758.1	757.5	FBI
CRIMINAL ARRESTS					
Total	45,539	45,005	39,487	36,021	DS
Percent change from previous year:	6.1%	-1.2%	-12.3%	-8.8%	DS
Adult	8.8%	-1.0%	-12.4%	-10.7%	DS
Juvenile	-7.4%	-2.1%	-11.6%	2.3%	DS
Drug Offenses, Total	2,925	2,234	1,963	2,286	DS
Percent change from previous year:	3.4%	-23.6%	-12.0%	16.5%	DS
Adult	4.1%	-39.5%	-11.9%	16.5%	DS
Juvenile	-3.6%	-22.2%	-13.6%	15.3%	DS
DWI, Total	9,225	8,267	7,031	6,304	DS
Percent change from previous year:	2.0%	-10.4%	-15.0%	-10.3%	DS
Adult	2.8%	-10.4%	-14.7%	-10.3%	DS
Juvenile	-40.5%	-2.8%	-32.1%	-16.7%	DS
STATE PRISON POPULATION (June 30th)					
Number of prisoners in State prison (June 30)	1,080	1,240	1,533	1,777	DC
Incarceration rate (prisoners/100,000 population)	105.5	120.9	138.7	159.9	DJ/CB
U.S. incarceration rate (federal and state jurisdiction)	274	293	310	329	DJ
Probation and parole caseload (June 30th)	4,559	4,564	4,782	4,840	DC
TRAFFIC ACCIDENTS					
Total accidents reported	44,713	39,267	27,195 [a]	25,688	DS
Annual percent change	-4.3%	-12.2%	-30.7%	-5.5%	DS
Total injuries reported	17,096	14,246	9,630	11,867	DS
Annual percent change	-3.5%	-16.7%	-32.4%	23.2%	
Fatal motor vehicle accidents	168	140	136	111	DS
Number of persons killed	190	158	145	123	DS
Percent alcohol involved	38%	36%	38%	25%	DS
Fatalities per 100 million vehicle miles	1.93	1.42	1.46	1.22	DT
INSURANCE, AUTO LOSS CLAIMS					
Total Claims ($ millions)	$374.5	$296.1[b]	$314.3	$275.7	ID

[a] *Legislation effective in 1991 raised the minimum accident damage required to be reported from $500 to $1,000*
[b] *Commercial liability and physical damage information not available.*

17. ENVIRONMENT

AIR QUALITY

State law has mandated that an auto emissions testing program be implemented by January 1, 1995 in the four most populous counties in the state - Hillsborough, Rockingham, Merrimack, and Strafford. This program will establish procedures for auto emissions testing for all cars made after 1975. Estimates are that 75 percent of the over 870,000 registered passenger vehicles in the state will be covered by this program. This emissions testing program is expected to reduce overall air pollution 15 percent by 1996 and 24 percent by 1999. If these air pollution goals are not accomplished, annual federal highway funds of $100 million dollars or more for the state may be withheld.

For 1992, one exceedance for carbon monoxide was recorded at the Nashua monitoring site. The highest level recorded at the Nashua site was 10.1 ppm (parts per million) or 106 percent of the standard. The Manchester monitoring site recorded a maximum 8-hour concentration of 6.8 ppm or 72 percent of the standard. Neither location exceeded the 1-hour standard of 35 ppm. Over the past five years, there does not appear to be any particular trend developing for carbon monoxide emissions.

Nitrogen dioxide in New Hampshire was monitored at two locations in 1992, Manchester and Portsmouth. Manchester reported an arithmetic mean of 30 percent of the standard or 0.015 ppm, while Portsmouth reported a reading of 0.013 or 26 percent of the standard. The standard for nitrogen dioxide is 0.05 ppm.

Sulfur dioxide standards were not exceeded at any of the twelve monitoring sites in the state. For the third year in a row, the Pembroke monitoring site recorded the highest concentration for 24-hour and 3-hour values, while two sites in Berlin had the highest arithmetic mean for the year. The five year trend for Nashua in both the second maximum 24-hour and the annual arithmetic mean time frames shows a downward trend.

For the first time in five years none of New Hampshire's eight ozone sites exceeded the standard of 0.125 ppm. The Rye Harbor monitor recorded the highest 1-hour value at 98 percent of the standard.

None of the six lead monitoring sites in New Hampshire exceeded the standard for 1992. The highest quarterly mean measured in the state was in Concord and Hollis at 2 percent of the standard 1.50 μg/m3 [microgram per cubic meter] or 0.03 μg/m3. Lead levels have dropped off considerably since 1982 when routine lead monitoring was initiated in New Hampshire. With the use of unleaded instead of leaded gasoline, lead readings have dropped from a high of 31 percent of standard in 1982 to the current level of 2 percent of standard statewide.

Of the fifteen sites that monitor particulate matter (motor vehicle exhaust, incinerators, industrial processes . . .) none exceeded the annual or 24 hour standard for 1992. As in past years, the highest New Hampshire values were recorded in the Berlin area. The lowest levels in the state were measured on top of Mt. Sunapee. The five year trend for the state shows a decrease in this particular air pollutant.

WATER QUALITY

New Hampshire continues to enjoy the benefits of good water quality and most of its surface waters remain in excellent condition. For the first time, the Department of Environmental Services (DES) has assessed 100 percent of New Hampshire's rivers (miles) and greater than 96 percent of the state's lakes and ponds (acres). Of the 10,841 total miles of state rivers, 99 percent or 10,694 river miles have been supported as being swimmable, while 10,761 miles have been supported as being fishable.

The major source of organic pollutants to New Hampshire's rivers has been municipal and industrial treatment facilities. In terms of sources of bacterial problems, the municipal wastewater treatment facilities have seen a marked reduction in violations of their effluent (waste material) limits for bacteria. With the completion of interceptor and pump station projects in the City of Manchester, the last remaining municipal discharge of untreated sewage to the Merrimack River and the entire state has been eliminated. Twenty years of steady progress in pollution abatement of both municipal and industrial sources has culminated in vastly improved surface water quality throughout the state as evidenced by the increase in recreational use of these waters.

Of the 153,581 acres of lakes and ponds assessed, approximately 92 percent support the swimmable and fishable goal. However, for various reasons, 4,072 acres do not support the swimmable goal and 570 acres do not support the fishable or aquatic life goal.

About 150 acres of freshwater wetlands have been filled throughout New Hampshire. This represents a minuscule loss of the 192,500 acres of nontidal wetlands. Improved public education and outreach, strict application of wetlands regulations, and stiff penalties for noncompliance have resulted in recognition that New Hampshire's wetlands standards are among the most effective in the country.

Groundwater quality in New Hampshire is generally excellent. The predominant crystalline rock formations produce groundwater of low mineral content, hardness, and alkalinity. The majority of groundwater supplies produces water that is

17. ENVIRONMENT	1989	1990	1991	1992	Source
WATER QUALITY					
Lakes and ponds:					
Total acres assessed [a]	154,993	N.A.	153,581	N.A.	WSP
Fishable:					
Support aquatic life	154,523	N.A.	153,011	N.A.	WSP
Do not support designated use	470	N.A.	570	N.A.	WSP
Swimmable:					
Support primary contact	151,735	N.A.	149,509	N.A.	WSP
Do not support designated use	3,728	N.A.	4,072	N.A.	WSP
Rivers and streams:					
Total miles	14,544	N.A.	10,841	N.A.	WSP
Fishable:					
Support aquatic life	14,494	N.A.	10,768	N.A.	WSP
Partially support designated use	N.A.	0	N.A.		
Do not support designated use	50	N.A.	73	N.A.	WSP
Swimmable:					
Support primary contact	14,055	N.A.	10,694	N.A.	WSP
Partially support designated use	339	N.A.	[b]	N.A.	WSP
Do not support designated use	150	N.A.	147	N.A.	WSP
SOLID WASTE [c] (Thousand tons per year)	N.A.	1,016.5	N.A.	1,109.0	WMD
AIR QUALITY					
Ozone levels (ozone season April 1 to October 31):					
Average four highest maximum hourly values in parts per million, selected monitoring sites					
Manchester	0.093	0.092	0.098	0.093	EPA
Nashua	0.098	0.104	0.115	0.102	EPA
Portsmouth	0.107	0.106	0.125	0.103	EPA
Rye	0.138	0.119	0.148	0.117	EPA
Days above federal standard (0.125 ppm)	2.0	2.0	6.2	0.0	EPA
Carbon Monoxide:					
Second maximum eight-hour concentration [Federal standard 9 PPM (parts per million)]					
Manchester [d]	4.8	5.3	6.4	6.4	EPA
Nashua	4.9	8.8	7.3	7.2	EPA

[a] *Total acres (lakes) and miles (rivers and streams) went down due to new survey by U.S. Environmental Protection Agency.*
[b] *Change in bacterial standards results in change of designations. Now are either fully swimmable or do not support swimming.*
[c] *Based on projections from national averages applied to population estimates and local demographic information.*
[d] *Bridge Street site - monitoring site moved from Elm Street in mid 1990 where readings had been much higher.*

moderately to highly corrosive. Elevated levels of iron and manganese are found in approximately 20 percent of the public drinking water supplies. The New Hampshire population is highly dependent on groundwater supplies for potable water. Over 60 percent of the total population utilizes groundwater for drinking. The urban population served by large municipal water systems depends on groundwater for 30 percent of its supply, but the rural population, served in general by individual wells drilled in bedrock, is almost totally dependent on groundwater for its drinking supply.

Cleaven Ferguson, Jr.

DIRECTORY OF SOURCES

Abbreviation	Provider
AS	New Hampshire Department of Administrative Services
AR	New Hampshire Association and the National Association of Realtors
BD	New Hampshire Banking Department
BEA	Bureau of Economic Analysis, United States Department of Commerce
BFA	New Hampshire Business Finance Authority
BKR	Administrative Office of United States Courts
BLS	Bureau of Labor Statistics, United States Department of Labor
CB	Bureau of Census, United States Department of Commerce
DC	New Hampshire Department of Corrections
DE	New Hampshire Department of Education
DES	New Hampshire Department of Employment Security
DHS	Division of Human Services, New Hampshire Department of Health and Human Services
DJ	United States Department of Justice
DRED	New Hampshire Department of Resources and Economic Development
DS	New Hampshire Department of Safety
DT	New Hampshire Department of Transportation
EC	Electric Council of New England
EIA	Energy Information Administration, United States Department of Energy
EPA	United States Environmental Protection Agency
F&G	New Hampshire Department of Fish and Game
FBI	Federal Bureau of Investigation
FDIC	Federal Deposit Insurance Corporation
FR	Federal Reserve Bank of Boston
FWD	F.W. Dodge, McGraw Hill Publishing Company

DIRECTORY OF SOURCES (continued)

Abbreviation	Provider
HA	New Hampshire Hospital Association
HFA	New Hampshire Housing Finance Authority
ID	New Hampshire Insurance Department
LC	New Hampshire Liquor Commission
LD	New Hampshire Labor Department
OCC	Federal Office of Comptroller of Currency
OFS	Federal Office of First Supervision
OID	Office of Industrial Development, New Hampshire Department of Resources and Economic Development
OSP	New Hampshire Office of State Planning
PA	New Hampshire Port Authority
PEC	New Hampshire Postsecondary Education Commission
PM	New Hampshire Pari-Mutual Commission
PS	United States Postal Service, Manchester Field Division
PSNH	Public Service Company of New Hampshire
PSV	New Hampshire Department of Postsecondary Vocational-Technical Education
RA	New Hampshire Department of Revenue Administration
SMM	Sales and Marketing Management
SSA	United States Social Security Administration
SST	New Hampshire Office of Secretary of State
UED	United States Department of Education
UIS	United States Department of Labor, Unemployment Insurance Service
VS	Bureau of Vital Records/Health Statistics, Division of Public Health Services, New Hampshire Department of Health and Human Services
WMD	Waste Management Division, New Hampshire Department of Environmental Services
WSP	Water Supply and Pollution Control Division, New Hampshire Department of Environmental Services

GLOSSARY AND INDEX

SECTION

AID TO FAMILIES WITH DEPENDENT CHILDREN (AFDC) - A federal/state program providing cash benefits to needy families with dependent children through the New Hampshire Division of Human Services. AFDC-UP (UP for "unemployed parent") is a program that became available in the State of New Hampshire in December 1990 that allows both parents to be present in the home. 14.

AIR QUALITY - Air quality standards, monitored at various sites throughout the state, for the following pollutants: lead, ozone, nitrogen oxide, carbon monoxide, sulfur dioxide, and suspended particulate matter. 17.

ALCOHOL INVOLVED TRAFFIC ACCIDENT - Either driver, biker or pedestrian reported consuming alcohol prior to the accident (.04 and above). 16.

APPLICANT - A person who contacts a local office of New Hampshire Employment Security to seek employment or obtain employability development services. An applicant active at anytime during a program year may have applied more than once during a twelve month period but is only counted once. 3.

ASSISTED RENTAL HOUSING - Several programs provide both project-based and certificate-based financial assistance for low income housing renters including NHHFA (New Hampshire Housing Finance Authority), HUD (U.S. Dept. of Housing and Urban Development), FMHA (Farmers Home Administration), and local housing agencies. 9.

AVERAGE WEEKLY EARNINGS, PRODUCTION WORKERS - Average total money earnings of production or nonsupervisory workers in the survey week, including overtime, paid vacation, and sick leave; this data is based on a monthly sample. 13.

BENEFITS PAID, UNEMPLOYMENT INSURANCE - "Benefits" means the money payable to an individual as compensation for wage losses due to unemployment. Includes private industry, state and local government, and nonprofit organizations plus interstate benefits, adjusted for benefit recoveries and transfers under interstate combined-wage plan. 3.

BIRTH RATE - Number of resident live births per 1,000 resident population (mid year). 1.

BTU - British thermal units. The standard unit for measuring quantity of heat energy, such as the heat content of fuel. It is the amount of heat energy necessary to raise the temperature of one pound of water by one degree Fahrenheit at a specified temperature. 6.

BUILDING PERMITS, RESIDENTIAL - An updating of decennial census data based on permit data to represent year-round housing units. Not all communities respond to the annual survey and some units used only on a leisure time basis may not be screened out. 9.

CIVILIAN LABOR FORCE - See Labor Force 3.

CONSUMER PRICE INDEX FOR URBAN CONSUMERS (CPI-U) - A measure of the average change in the prices paid by urban consumers for a fixed market basket of goods and services. This index represents the buying habits of about 80 percent of the noninstitutional population of the United States. The current index uses a basket of goods and services surveyed in 1982 through 1984; the bundle's cost in 1982-84 prices is set equal to 100 and all price changes are relative to the base prices. A CPI is not prepared specifically for New Hampshire, so generally the index for the entire United States is used. 13.

CONSUMER PRICE INDEX FOR URBAN CONSUMERS (CPI-U-X1) - A modified series of the CPI-U that integrates the current approach of estimating shelter services with the pre-1983 method. It is recommended for researchers using time series; the Bureau of the Census used it for calculating the median household income in real dollars. 13.

SECTION

CONTRACT VALUE INDICES (Value of construction contracts) - Total construction: Index of value of contracts let for new construction, additions, and major alterations, but not for maintenance. Nonbuilding construction includes highways, bridges, dams, utility systems, airports, etc. Nonresidential building construction includes stores, factories, offices, hospitals, schools, etc. Residential construction includes single and multiple unit houses, hotels, motels, and dormitories. 9.

DEFENSE CONTRACTS - Awards made in fiscal year specified; related expenditures may extend over several years. 7.

DISABILITY BENEFITS UNDER SOCIAL SECURITY - For purposes of entitlement to benefits, disability is defined as the inability to engage in any substantial gainful activity by reason of medically determinable physical or mental impairment severe enough to render the person unable to engage in any kind of substantial gainful work regardless of availability of such work. 14.

DURATION, AVERAGE, OF BENEFIT PAYMENTS - Number of weeks compensated for unemployment during the year divided by the number of first payments. May include more than one period of unemployment. 3.

EARNINGS - See Average Weekly Earnings, Production Workers 13.

ENERGY CONSUMPTION - Statistics include use of various forms of petroleum, natural gas, coal, nuclear fuels, and hydroelectric generation but exclude wood, waste, wind, solar, and photovoltaic sources. Physical units are converted to BTUs. Adjustments to state data are made for interstate sales and include electrical system energy losses incurred in generation, transmission, and distribution of electricity plus plant use and unaccounted for electrical system energy losses. Data is gathered from a variety of surrogate measures selected on the basis of availability, applicability as an indicator of consumption, continuity over time, and consistency. 6.

ENERGY GENERATED, NET - The total amount of electric energy (kilowatt-hours) produced by the generating units in a generating station less the kilowatt-hours consumed for station use. 6.

FUEL CONSUMED TO GENERATE ELECTRICITY - Fuel required by all types of electricity generating plants. Coal, gas, and nuclear fuels shown in equivalent barrels of oil. Oil shown in 42 gallon barrels; 0.276 tons of coal or 5.965 mef of gas equals approximately one barrel of oil. 6.

FOOD STAMP PROGRAM - A federal government-sponsored program to increase the buying power and the nutritional level of low-income families. 14.

GROSS DOMESTIC PRODUCT (GDP) - A measure of the market value of final goods and services produced by labor and property located in the nation. For information about sources and methods for estimating GDP, refer to the December 1991 issue of ***Survey of Current Business***. 7.

GROSS STATE PRODUCT (GSP) - The state counterpart of the nation's gross domestic product (GDP), that is, a measure of the market value of final goods and services produced by labor and property located in the state. 7.

HIGH SCHOOL GRADUATION RATE - The percentage of ninth graders who receive a regular high school diploma four years later. For example: the graduation rate for 1991 is for students who were in the ninth grade in the fall of 1987. Graduation rates have been adjusted for interstate migration and unclassified secondary school enrollment. 2.

HIGH-TECH INDUSTRIES - Industries with a proportion of technology-oriented workers (engineers, life and physical scientists, mathematical specialists, engineering and science technicians, and computer specialists) at least 1.5 times the average for all industries. High-tech may also be defined by the amount of research expenditures or a combination of technology-oriented workers and R & D expenditures. 4.

SECTION

HOME SALES OF EXISTING HOMES - Estimates based on multiple listing data. Projections are made with cooperation of National Association of Realtors. Data primarily consists of existing units of single-family homes, townhouses, condominiums, and cooperatives. Multiple units are excluded. 9.

IMPLICIT PRICE DEFLATOR (IPD) FOR GDP - The ratio of GDP (gross domestic product) in current dollars to GDP in constant dollars. Prices of goods and services are surveyed in the current year and divided by prices of those same goods and services in the base year to yield the IPD. 13.

INADEQUATE PRENATAL CARE - The number of babies who received no care or whose care began in the third trimester of pregnancy. 1.

INCARCERATION RATE - The number of persons confined in prison per 100,000 people in the state's resident population. Department of Justice rates pertain to prisoners with sentences over one year and include those under both federal and state jurisdiction. 16.

INDEXED CRIME - Selected offenses used to gauge fluctuations in the overall volume and rate of crime reported to law enforcement. The offenses included are the violent crimes of murder and nonnegligent manslaughter, forcible rape, robbery, and aggravated assault and the property crimes of burglary, larceny-theft, motor vehicle theft, and arson. 16.

INPATIENT DAYS - The number of days that patients (excluding newborns) spend in a hospital, including the day of admission but not the day of discharge. 15.

LABOR FORCE - All persons 16 years and older who are either employed or unemployed. Normally reported as civilian labor force by place of residence. 3.

MANUFACTURERS' SHIPMENTS - The received or receivable net selling values, f.o.b. plant (exclusive of freight and taxes), of all products shipped, both primary and secondary, as well as miscellaneous receipts, such as receipts for contract work for others, installation and repair, sales of scrap, and sales of products bought and resold without further processing. 7.

MEALS AND ROOMS SALES - Based on taxes received from hotels, motels, restaurants and other eating and drinking establishments under Meals and Rooms tax authority. Rate was 7 percent before April 1990 and 8 percent starting April 1990. After July 1, 1993, it will include a tax on hospital rooms. 12.

NATURAL INCREASE RATE - The number of resident births minus deaths per 1,000 total resident population. 1.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT - Place of work employment that does not include the private household workers, self-employed, unpaid family workers, and domestics or agricultural workers. 4.

NON-PERFORMING LOANS - Loans & leases 90 days or more past-due or in nonaccrual status. 11.

OASDI (Old-Age, Survivors, Disability, and Health Insurance) - See Social Security 14.

OCCURRENCES - Births, deaths, and other vital events that are recorded regardless of residence. 1.

PARTICIPATION RATE, LABOR FORCE - The proportion in the labor force of all persons 16 years of age or older who are not inmates of penal or mental institutions, sanitariums, or homes for the aged, infirm, or needy, and members of the Armed Forces stationed in the U.S. 3.

PART-TIME WORK - Work that is less than 35 hours per week. 3.

SECTION

PERSONAL INCOME - The current income received by all the residents of the state from all sources, including wages and salary disbursements, other labor income, proprietors' income, rental income, interest, dividends and transfer payments less personal contributions for social insurance. Per Capita Personal Income is personal income divided by the July 1st resident population. Disposable Personal Income is personal income less tax and nontax payments. 13.

POVERTY - The persons in a family are considered to be in poverty when total money income (wages, transfer payments, unearned income, etc.) for a year falls below designated poverty thresholds based on the cost of a nutritionally adequate food plan, with variations for family size, adjusted annually according to the consumer price index. 14.

PROPERTY TAX RATES, EQUALIZED - Provide a uniform standard for comparing tax rates between towns and counties. 12.

PROPERTY TAX RATES, FULL VALUE - The tax rate if property were assessed at its full market value. Rates represent tax on each $1,000 of a property's market value. 12.

PROPERTY TAX ASSESSMENT RATIO - The full value assessment ratio is a comparison between current assessments (local tax rate) and full market value (full value tax rate). 12.

RURAL TRAFFIC COUNT - Automatic traffic counter data recorded on N.H. and U.S. roadways designated as rural areas. Data is collected and reported by the Department of Transportation, Bureau of Transportation Planning. 10.

SCHOLASTIC APTITUDE TEST SCORE - Mean test score for all students in the state who took the SAT exam during the designated academic year. 2.

SOCIAL SECURITY - National Old-Age, Survivors, and Disability Insurance (OASDI) - The largest income-maintenance program in the United States. Provides monthly cash benefits to replace, in part, the income lost when a worker retires in old age, becomes severely disabled, or dies. Coverage is nearly universal — including about 95 percent of the jobs in this country. Funds come primarily from taxes on earnings in covered jobs and from the self-employed along with matching funds paid by employers. 14.

TAXABLE PROPERTY VALUATION - The equalized valuation per capita in constant 1983 dollars. The equalized valuation reflects, insofar as possible, the true and market value of all taxable property in each community as determined by the Department of Revenue Administration. 12.

TIME AND SAVINGS DEPOSITS - The sum of money market deposit accounts, savings deposits, time deposits, and individual retirement (IRA) and Keogh accounts. The data are monthly averages of daily dollar figures. 11.

TRANSFER PAYMENTS - Part of personal income which includes Social Security benefits, unemployment insurance benefits, veterans benefits, government employment retirement, AFDC, etc. 13.

UNEMPLOYED- Persons who were not employed during the monthly survey week but were available for work and had either (1) overtly engaged in a job seeking activity within the previous four week period; (2) were waiting to be recalled from a layoff; or (3) were waiting to report to a new job within 30 days. 12.

UNIT (IN PRIVATE COVERED EMPLOYMENT) - any employer whose workers are covered by New Hampshire Unemployment Compensation law. In general covered employers include any individual or organization which employs one or more workers within the state during the year. Exempted from unemployment compensation coverage are the self employed and the employees of railroads and of most private households, farms, and religious organizations. A single Unit may have employment in more than one physical location (an *establishment*) in the state or even in a city or town. 5.

SECTION

VALUE ADDED BY MANUFACTURE - This measure of manufacturing activity is considered to be the best value measure available for comparing the relative economic importance of manufacturing among industries and geographic areas. The cost of materials, supplies, fuels, etc. are subtracted from the value of shipments plus receipts for services rendered and adjusted by adding value added by merchandising plus net change in finished goods and work-in-process between the beginning and end of year. 7.

VEHICLE REGISTRATIONS - A count of the registration certificates on file at the Department of Safety at the end of each calendar year. Passenger vehicle registrations include plates for handicapped, purple heart, disabled American veterans, former prisoners of war, and New Hampshire National Guard. Trucks consist of motor vehicles of all sizes including tractor-trailers used primarily for the transportation of property. Trucks are assigned a "commercial" registration. 10.

WAGES - See Average Weekly Earning, Production Workers 13.

WATER QUALITY CLASSIFICATION - Water quality status of the state's surface and ground waters, as reported to Congress per the requirements of Section 305(b) of the Water Quality Act. 17.

WEEKLY BENEFIT AMOUNT, AVERAGE - Benefits paid for total unemployment during the year divided by the number of weeks compensated. Payments for partial unemployment are excluded. State and local government benefits are included. 3.

WEEKS COMPENSATED FOR UNEMPLOYMENT - Number of weeks of unemployment for which benefits were paid including both total and partial unemployment. Includes state and local government. 3.

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